



Fall 2023

*Application Workshop*  
*Division of Water Infrastructure*

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## *Agenda*

- Introductions & program overview
- Application package completion
- Priority Rating Systems for drinking water and wastewater construction projects (including CDBG-I)
- Priority Rating System for stormwater construction & planning grants
- Community Development Block Grant – Infrastructure (CDBG-I) programmatic specifics
- Viable utility & study grant primer
- Study grant Priority Rating Systems
- Lead Service Line applications
- Funding expectations primer
- Wrap-Up

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## *Training Handout Packet*

- Agenda
- Presentation
- NCDEQ Division Common Application
- One-sheets for all funding programs
- Evaluation form

Guidance and other documents can be found on our website at: <https://deq.nc.gov/about/divisions/water-infrastructure/i-need-funding/application-forms-and-additional-resources>

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## *Introductions*

- Staff introductions
- Audience introductions
  - How many are representing local government units?
  - How many are consultants or technical assistance providers?
  - How many are new?
  - How many are old hands at this?




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*Program Overviews*



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*Know Before You Go: Funding Programs*

Applications due Monday, October 2, 2023  
by 5:00 p.m.

- Electronic Applications
- One-sheets provide summary of each funding program
- New - Lead Service Line Replacement Program
  - Applications accepted on a rolling basis
- New - Emerging Contaminants Funding program



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## Fall 2023 Funds Available

Application Type	Approximate Amount Available			
Community Development Block Grant - Infrastructure	CDBG-I Grant: \$18M			
Drinking Water Projects	DWSRF Loan: \$80M (\$16M PF)	BIL DW EC: \$20M (\$10M for studies) (100% PF)	State Reserve Grant: \$10M*	Viable Utility Reserve \$0*
Wastewater Projects	CWSRF Loan: \$100M (\$10.5M PF)	BIL WW EC: \$ 5.3M (100% PF)		
Merger Regionalization Feasibility Grants	ARPA SRP Study Grants \$1.5M			
Asset Inventory & Assessment Grants				
Stormwater Construction/Planning	LASII: \$0*			
<b>Total:</b>	<b>\$235M</b> <b>(\$56M Grant or PF)</b>			

\* TBD based on final FY 2023 State Budget

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## Funding Types and Limits

Program	Funding Type and Limits
<b>Drinking Water State Revolving Fund</b>	Repayable loans (with principal forgiveness), up to \$25 M per round, \$200M total DWSRF loan per recipient \$5M for BIL EC Funds
<b>Clean Water State Revolving Fund</b>	Repayable loans (with principal forgiveness), up to \$35 M per project per round, \$200M total CWSRF loan per recipient
<b>CDBG-I</b>	DW & WW grants benefiting low-to-moderate income, up to \$3 M every 3 years
<b>LASII Stormwater</b>	Stormwater planning and DINU: up to \$400 K or \$500 K Stormwater construction: up to \$5 M or \$7.5 M
<b>SRP Grant</b>	\$3M per recipient every 3 years for construction projects \$150,000 per utility every 3 years for AIA \$50,000 per utility every 3 years for MRF
<b>ARPA Study Grants</b>	\$400,000 per recipient in the biennium

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### *Pop Quiz: Funding Programs – Question #1*

- What is the application due date for all applications?
  
- A. Monday, October 2, 2023 at 5:00 p.m.
- B. Saturday, September 30, 2023 at 5:00 p.m.
- C. Rolling basis
- D. C for Lead Service Line Replacement projects and A for all other projects



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### *Pop Quiz: Funding Programs – Question #2*

- Anyone can access the Viable Utility Reserve.
  
- True
- False



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### *Pop Quiz: Funding Programs – Question #3*

- What does the availability of LASII, State, and VUR funds depend upon?
  - A. The state budget
  - B. The federal budget
  - C. Both A and B
  - D. Neither A nor B



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### *Discussion Time*




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## *Application Package Completion*




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## *Application Packet*

- Division application
- Priority points sheet and narrative
  - Wastewater, including BIL-EC funding
  - Drinking water, including BIL- EC funding
  - CDBG-I
  - AIA or MRF for drinking water or wastewater
  - LASII stormwater
  - LASII stormwater planning grants
- Affordability Calculator
- Resolution and Form for Certification by Recording Officer
- Project Financial Information Form, if applicable
- Fund Transfer Certification Form, if applicable
- Rate sheets
- LASII stormwater eligibility form, if applicable



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## *Application Packages*

- Construction project applications not funded in previous round (Spring 2023) considered in Fall 2023 (*Does not apply to CDBG-I*)
  - No additional information allowed
  - Application reconsidered as-is
  - Adding information? ⇨ Submit completely new application
  - Unfunded Fall 2022 AIAs reconsidered in Fall 2023
- Each application viewed as stand-alone



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## *Final Check Tips*

- All signatures present including electronic copies
- All forms present and complete
  - Application
  - Fund Transfer Certification
  - Rate sheet(s)
  - Resolution(s) as needed
  - LASII stormwater eligibility form (if applicable)
  - Affordability calculations
  - EJ map (if applicable)
- Narratives & score sheets & supporting documentation



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## Division Application



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## Division Application



	<b>North Carolina Department of Environmental Quality</b>	
	<b>Division of Water Infrastructure</b> <b>Fall 2023 Application for Funding</b> <small>(Last updated: July 2023)</small>	

- Revised in Summer 2023
- [This application must be used](#)
- One application for all programs, except LSLR
- Best funding fit
- All sections completed
- Note: Application comes with instructions
- [Read the instructions](#)

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## Sections 1 and 2


**North Carolina Department of Environmental Quality**  
**Division of Water Infrastructure**  
**Application for Funding**  
(Last updated: July 2023)


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**1. General Information**

Applicant Name		County	Unique Entity Identifier (UEI)
Project Name		Federal Tax ID #	PWSD or NPDES # (if applicable)
Applicant Type <input type="checkbox"/> Municipality <input type="checkbox"/> County <input type="checkbox"/> Water and Sewer District <input type="checkbox"/> Water and Sewer Authority <input type="checkbox"/> Sanitary District		<input type="checkbox"/> Metropolitan Water Sewerage District <input type="checkbox"/> Non-Profit Water Corporation <input type="checkbox"/> Investor-Owned Drinking Water Corporation <input type="checkbox"/> Council of Government <input type="checkbox"/> Other (Specify: _____)	Funding Amount Requested  Total Project Cost

**Funding Type(s) Requested**

Drinking Water or Wastewater Planning <input type="checkbox"/> Asset Inventory and Assessment (AIA) <input type="checkbox"/> Merger/Regionalization Feasibility (ARF) Study <input type="checkbox"/> Emerging Contaminants Evaluation/Assessment Study (PFAS project)	Construction Project <input type="checkbox"/> Drinking Water <input type="checkbox"/> Drinking Water Emerging Contaminants (PFAS project) <input type="checkbox"/> Wastewater <input type="checkbox"/> Wastewater Emerging Contaminants (PFAS project) <input type="checkbox"/> CWSRF Green Project: stream restoration, stormwater SCM, reclaimed water
Stormwater Planning <input type="checkbox"/> Stormwater Planning (LASI) <input type="checkbox"/> Developing and Implementing a New Stormwater Utility (LASI)	<input type="checkbox"/> Stormwater Construction (LASI) <input type="checkbox"/> CDBG-Infrastructure (CDBG-I)

**CDBG-I only:**  
 LMI Determination Method:  ACS  Survey      LMI Percentage: \_\_\_\_\_


**Acceptance of Funding Offer (for Construction Projects)**  
 This question will be used to identify the best funding fit.  
 • I will only accept a funding offer if a minimum of \$\_\_\_\_\_ is offered as a grant or principal forgiveness (PF). I will accept the rest as loan. I understand that I will not be offered any funding if the minimum requested grant PF amount cannot be offered. Enter 0 if you are willing to accept a loan offer with no grant or principal forgiveness. Please read the instructions for details.

**2. Drinking Water and Wastewater System Parameters (Not applicable for stormwater projects)**

Residential Sewer Connections	Residential Water Connections
Non-Residential Sewer Connections	Non-Residential Water Connections
Monthly Sewer Bill for 5,000 gallons	Monthly Water Bill for 5,000 gallons

**Percentage of Utility Bills Collected and Rate Increase Percentages**

Year	Percentage of Utility Bills Collected	Rate Increase Percentage



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## Division Application – Sections 1 & 2 – Tips

- **Section 1**
  - *Funding amount requested*
  - **Total project cost**
  - *Funding Type Requested*
  - **Minimal amount of grant/principal forgiveness needed**
  - *CDBG-I only: Low-to-moderate income information*
    - *Determination method*
    - *Percentage*
- **Section 2**
  - **Water/sewer connections (residential & non-residential)**
  - **Water/sewer bills**



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## Sections 3-5 – Contact Information

<b>3. Applicant Contact Information (See Instructions regarding the Authorized Representative)</b>	
Authorized Representative Name:	<input type="text"/>
Authorized Representative Title:	<input type="text"/>
Mailing Address Line 1:	<input type="text"/>
Mailing Address Line 2:	<input type="text"/>
City:	<input type="text"/>
State:	<input type="text"/>
Zip Code:	<input type="text"/>
Physical Address Line 1:	<input type="text"/>
Physical Address Line 2:	<input type="text"/>
Physical Address City:	<input type="text"/>
Physical Address State:	<input type="text"/>
Physical Address Zip Code:	<input type="text"/>
Phone Number:	<input type="text"/>
Email Address:	<input type="text"/>
<b>4. Application Preparer Contact Information</b>	
Firm Name:	<input type="text"/>
Contact Name:	<input type="text"/>
Phone Number:	<input type="text"/>
Email Address:	<input type="text"/>
<b>5. Engineer Contact Information</b>	
Is the engineering firm different from the application preparer?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Engineering Firm Name:	<input type="text"/>
Contact Name:	<input type="text"/>
Phone Number:	<input type="text"/>
Email Address:	<input type="text"/>

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## Division Application – Sections 3, 4, & 5 – Tips


- **Section 3 – Authorized Representative**
  - Top elected official
  - Top administrative official (e.g., Town Manager)
  - Person listed as Authorized Representative in Resolution
    - Utility Director
    - Finance Officer
    - Council Member
- **Section 4 & 5 – Application Preparer and Engineer Contact**
  - Please make sure same contacts are listed as provided in the electronic application submittal form.

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## Sections 6-7 – Project Description & Additional Information

6. Project Description (see Instructions)	
Estimated number of <u>new</u> connections served by Drinking Water or Wastewater construction, <input type="text"/>	
Emerging Contaminants (PFAS), or CDBG-I project	
<input type="checkbox"/> 50% or more of the project budget is to directly benefit a Disadvantaged Area. Both the Application Budget and Narrative must demonstrate that the project area includes a Disadvantaged Area and that 50% or more of the project budget directly benefits the Disadvantaged Area. See Application Guidance for Line Item 4.C.4 for details on the minimum documentation to be included in the Budget and Narrative.	
For Drinking Water and Wastewater construction, Emerging Contaminants (PFAS), CWSRF Green Project, and CDBG-I:	
<input type="checkbox"/> The proposed project is a result of an Asset Inventory and Assessment grant previously awarded by the Division.	
<input type="checkbox"/> The proposed project is a result of a Merger / Regionalization Feasibility Study grant previously awarded by the Division.	
<input type="checkbox"/> None of the above.	
7. Additional Information for Consideration	



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## Division Application – Sections 6 & 7 – Tips

- Section 6 –
  - Project Description
    - Broad level of detail reflects major items in budget
    - If adding connections, number of connections
    - See Instructions for more detail
  - Identify if you project directly benefits a disadvantaged area
    - Self identifies projects eligible for PF
    - Supporting documentation provided as part of line item 4.C.4.
  - Identify projects resulting from an AIA/MRF
- Section 7 – Additional Information – Complete if needed

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## Sections 8a, 8b, and 8c – Project Budgets

**8a. Project Budget for All Construction Projects and for Emerging Contaminants Evaluation/Assessment Studies** Do not use for other planning studies.

1. Drinking Water/Wastewater: Costs for portions of the project that will fulfill the requirements related to stabilizing or reaching waterways, soil infrastructure, land service lines, or emerging contaminants (DW/WW Priority Rating System Line Items 1.C.1, 1.D.1, 1.E.1, 1.F.1, 1.G.1, 1.H.1, 1.I.1, 1.J.1, 1.K.1, or 1.L.1) must be labeled and shown separately in accountability claim points.

2. All other portions of the project that will directly benefit each targeted area (DW/WW Priority Rating System Line Items 1.F or 4.C.4) must be labeled and shown separately in accountability claim points.

Indicate construction costs by line item (e.g., linear feet of different sized lines, each type of stormwater control measure, each stream restoration reach). Include a more detailed construction cost budget if needed.	Division Funding Requested	Other Funding Sources	Total Cost
<b>Construction Costs</b>			
Contingency (3% of construction costs):			
<b>Construction Subtotal:</b>			
<b>Professional Costs</b>			
Engineering Design			
Permitting			
Land Surveying Costs			
Other			
<b>Engineering Subtotal:</b>			
<b>Administration Costs</b>			
Planning (pre-construction costs)			
Excess Land Acquisition Costs			
Engineering Report Preparation			
Environmental Documentation Preparation (if applicable)			
Legal Costs			
Project Funding Administration (if applicable)			
Other			
<b>Administration Subtotal:</b>			
<b>TOTAL FUNDING REQUESTED AND PROJECT COST:</b>			

A Professional Engineer seal, signature, and date for the estimate must be provided in the space to the right for the application to be considered complete.  
 (Note: If not using Desktop to seal and sign the budget, get the seal signature on the Word document or use a wet seal signature with a scan of the wet seal signature.)

**8b. Project Budget for AA and MRF Grants** Do not use for any type of LASII Stormwater project.

Add additional lines as needed. Only include items that are intended to be included in the Scope of Work for the project.

	Division Funding Requested
<b>TOTAL DIVISION FUNDING REQUESTED:</b>	

**8c. Project Budget for Stormwater Planning Grant (LASII) and Grant to Develop and Implement a New Stormwater Utility (LASII)** Do not use for any other project type, including stormwater construction (LASII).

1. If the application includes a request for funds to both Develop and Implement a New Stormwater Utility and other Stormwater Planning work, the budget items below must be labeled and shown separately.

2. Add additional lines as needed.

	Division Funding Requested
<b>TOTAL DIVISION FUNDING REQUESTED FOR STORMWATER PLANNING GRANT (LASII):</b>	
<b>TOTAL DIVISION FUNDING REQUESTED TO DEVELOP AND IMPLEMENT A NEW STORMWATER UTILITY (LASII):</b>	

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## Sections 8a & 8b – Tips

- Budget funding requested must match funding requested in Section 1
- Section 8a – DW/WW/SW construction budget
  - If claiming Line Items 1.C.1, 1.D.1, 1.E, 1.J.1, 1.J.2, or 4.C.4 (construction), add lines as described in table instructions
  - **Affix PE seal, signature, and date**
- Section 8b - Water and wastewater planning project budgets
- Section 8c - LASII Planning Project budget
  - If claiming LASII Line Item 3.C points, add lines as described in table instructions

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## Certifications & Completeness– Tips

- Certifications
  - *Authorized Representative must initial each certification*
  - Not applicable? N/A
- Completeness Checklist – Initialed by Authorized Representative or Preparer



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## Signature – Tips

- Must be signed by Authorized Representative
  - Top elected official
  - Top administrative official
  - Person listed in Resolution as Authorized Representative
  - Caveat: For CDBG-I, the person listed as the Authorized Representative in the resolution must sign the application
- *Original signature*
  - *Wet signature required for CDBG-I hardcopy*
  - *Electronic signature (DocuSign preferred) okay for other programs*



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### *Pop Quiz: Common Application – Question #1*

I can use any version of the DWI application that is out there.

- True
- False



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### *Pop Quiz: Common Application – Question #2*

- Which of the 3 items listed must an application have to be considered complete? (Funding amount requested, project type, utility bills, number of new users [as applicable], original signature, breakout of costs for specific line items)
  - A. Funding amount requested, original signature, utility bills
  - B. Funding amount requested, project type, breakout of costs for specific line items
  - C. Funding amount requested, project type, original signature
  - D. None of the above



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### *Pop Quiz: Common Application – Question #3*

- What is the best way to affix a PE seal?
  
- A. Wet seal
- B. DocuSign
- C. Copy/paste onto Adobe PDF
- D. A & B
- E. A & C
- F. All of the above



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### *Additional Forms*



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# Financial Information Form



Complete the following information related to your system's Enterprise Fund. If your Enterprise Funds are separate for water and wastewater, please supply sheets for the appropriate fund. If the application is for a specific District or system with its own fund, provide only that District's or system's financial information.

1. Supply the required information below.

Combined System     Water System     Wastewater System

Unit Name: \_\_\_\_\_  
Fund Name: \_\_\_\_\_

2. Provide the following information for the past three fiscal years for which an audit has been completed and submitted to the Local Government Commission (or the equivalent if not a local government unit).

	Fiscal Years		
	2021	2022	2023
<b>Operating Revenues</b>			
Customer Charges			
Connection Fees			
Other Revenue			
<b>Total Operating Revenues</b>			
<b>Expenditures</b>			
<i>Administration</i>			
Salaries			
Other			
<i>Operations</i>			
Salaries			
Other			
<b>Total Expenditures</b>			
<b>Other (do not include depreciation)</b>			
Debt principal			
Interest			
Capital outlay			
Capital reserve			
Transfer from (to) other funds			
Other (list): _____			
<b>Total Other</b>			
<b>Net Income (Loss)</b>			

(OVER)

3. Certification. Please read and sign below.

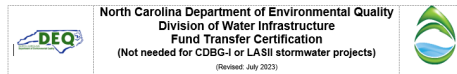
I attest that the fiscal information provided in this form, to the best of my knowledge, is accurate, complete, true, and matches audits for the past three years (or the equivalent formal financial records for non-local government applicants).  
I further attest that, to the best of my knowledge, if \_\_\_\_\_ has made any transfers within the past three years, these transfers are shown in Item #2 of this form.

SIGNATURE OF FINANCE OFFICER	DATE
TYPED NAME	TYPED TITLE

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# Fund Transfer Certification Form



§ 159G-37(b) requires that all local governments applying for funding from the Clean Water State Revolving Fund, the Wastewater Reserve, the Drinking Water State Revolving Fund, the Drinking Water Reserve, and the Viable Utility Reserve for water or wastewater projects certify that no funds received from water or wastewater utility operations have been transferred to the local government's general fund for the purpose of supplementing the resources of the general fund since July 1, 2014. The prohibition contained in § 159G-37(b) shall not be interpreted to include payments made to the local government to reimburse the general fund for expenses paid from that fund that are reasonably allocable to the regular and ongoing operations of the utility, including, but not limited to, rent and shared facility costs, engineering and design work, plan review, and shared personnel costs. **Note:** A payment in lieu of taxes (PILOT) is not a disqualifying transfer so long as the PILOT reimburses these specific expenses. All other PILOTS are considered transfers.

Complete this form and have your Authorized Representative sign it. **You must check a box; otherwise, the application will be considered incomplete and not eligible for consideration for funding.**

**Applicant's Certification:**

I, as a representative of \_\_\_\_\_ (Local Government Unit), hereby certify that since July 1, 2014,

funds received from the water and/or wastewater utility have: **(CHOOSE ONE)**

- not been transferred from the water and/or sewer enterprise fund to the general fund, **OR**
- been transferred from the water and/or sewer enterprise fund to the general fund **AND** were reasonably allocable to the regular and ongoing operations of the utility in accordance with § 159G-37(b), **OR**
- been transferred from the water / sewer enterprise fund to the general fund via PILOT. Revenues from PILOT were used only for water / sewer utility operations.

Any transfers must be consistent with the information provided in the Division's Water & Sewer Financial Information Form and must be accurately reflected in the audits as reported by the Local Government Unit to the Local Government Commission since July 1, 2014.

SIGNATURE OF AUTHORIZED REPRESENTATIVE OR FINANCIAL OFFICER	DATE
TYPED NAME	TYPED TITLE



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## Other Forms – Tips

- Financial Information Form
  - Finance Officer or Authorized Representative signs
  - 3 years of information from most recently accepted, approved audits
  - Absolute values in expenditures
  - Remember transfers
  - Do not modify form
- Fund Transfer Certification
  - Finance Officer or Authorized Representative signs
  - Go back to FY 2014
  - 1 of 3 checkboxes must be checked
  - Payment in lieu of taxes (PILOT) are not automatically considered reasonably allocable to operation of the utility
- Rate sheets – Include

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## Resolutions – Tips

- Recommend using supplied template
- Due at time of application
- 1<sup>st</sup> Whereas clause
  - List project
  - If submitting multiple projects, can list all projects
- Authorized Representative
  - CDBG-I: Name the Authorized Representative regardless\*\*\*
  - Other programs: Name Authorized Representative if not top elected or top administrative official.
  - ALWAYS name title of Authorized Representative
- Form for Certification by the Recording Officer – Must include
  - Use the template
  - Date
  - Recording officer title & signature



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## *Stormwater Planning Grants – Tips*

- **Eligibility Form**
  - Complete all questions (N/A where appropriate)
  - Signed by Authorized Representative
- **Narratives**
  - General narrative
  - Planning narrative



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## *Application Submittal – Electronic (New Link)*

- Electronic submittals only accepted
- Website:  
<https://edocs.deq.nc.gov/Forms/Fall2023DWIFunding>
- File size limit: 250 MB
- Documents uploaded individually
- **Reminder:** In addition to electronic submission, CDBG-I requires one hardcopy due by deadline



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### *Pop Quiz: Other Forms – Question #1*

- For WW/DW projects, if rate sheets are not included,
  - A. The application is determined to be incomplete.
  - B. Division staff will call you to ask for the rate sheet.
  - C. Division staff will research on your website for the information.
  - D. You will lose rate points due to lack of information.



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### *Pop Quiz: Other Forms – Question #2*

- For resolutions for all applications, at least the position of the Authorized Representative must be named
  
- True for all applications
- True for all applications except CDBG-I, which must have the Authorized Representative's name
- False for all applications



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## Pop Quiz: Other Forms – Question #3

- For the Fund Transfer Certification form, you must
  - A. Check at least 1 of the 3 boxes
  - B. Certify all the way back to FY14
  - C. Have your Finance Officer or Authorized Representative sign
  - D. A and C only
  - E. All of the above



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## Tab 1 – General Information

### DWI Application for Funding

1. General Information

2. Application File Uploads

Help Info and Submit

**Application Cycle** Spring 2023

Low-interest loans and grants are available for drinking water and wastewater construction projects, and for stormwater planning projects. Complete your application form and required documentation using the [Division's forms application page](#) and then use this online submission page to upload your application and all documents. This portal does not substitute for filling out the Application for Funding form, which you are required to do and upload on the next tab. Applications are due **May 1, 2023** by 5:00pm.

**Part A.**

General Information

**Applicant Name \***

(Please choose Other if name is not in list.)

**County \***

**Project Name \***

**Is this a new application or are you replacing a recently submitted application that needs to be corrected? \***

New  Replaces a previous submittal

**Funding Type \***

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## Tab 1 – General Information

Funding Amount Requested\* \$

Minimal \$ for grant or principal forgiveness\* \$

Total Project Cost\* \$

Is there "Additional Information for Consideration" in Section 7 of the Application for Funding form?  
 Yes  No

Name of Authorized Representative\*

Title of Authorized Representative\*

Email of Authorized Representative\*

Mailing Address of Authorized Representative\*

Mailing Address 1

Mailing Address 2

City  State / Province / Region

Postal / Zip Code

Organization of Application Preparer\*

Name of Application Preparer\*

Email of Application Preparer\*

Is the engineer the same as the application preparer?  Yes  No

\* Required field

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## Tab 2 – Application File Uploads



### DWI Application for Funding

1. General Information | 
 2. Application File Uploads | 
 Help Info and Submit

The application forms, instructions, guidance documents, and supporting documents are all on the Division of Water Infrastructure's applications webpage. You must download and complete all of the relevant forms following the instructions. Once complete, upload each of the forms in the appropriate section below, including the **Application for Funding form**. If an upload is required below but does not apply to your application, upload a single page PDF with a statement that the form is not applicable. **Note: Each upload section below with an asterisk (\*) must contain an individual file (e.g. for Completed Application for Funding form). Upload one file per section.** Do not submit the same file in all of the sections below, separate your files as organized by their sections. Make sure your documents are final before uploading. You may delete a file after it is uploaded by clicking on the X next to the filename. **Once you submit an application on the next tab, you cannot edit your application or files.** If you need to make a correction after you submit an application, submit a new application and contact the Division. **Uploading files may take a few minutes. Files must be smaller than 250 MB in size.**

**Completed Application for Funding form\***

PDF only

**Project Resolution by Governing Body\***

PDF only

**Comprehensive Narratives to claim points in the Priority Rating System (all in one file only)\***

PDF only

**Documentation to support the Comprehensive Narratives\***

PDF only

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## Tab 3 – Help Info and Submit

The screenshot shows a web application interface for 'DWI Application for Funding'. At the top, there is a navigation bar with three tabs: '1. General Information', '2. Application File Uploads', and 'Help Info and Submit'. The 'Help Info and Submit' tab is active. Below the navigation bar, the page title is 'DWI Application for Funding'. A prominent message reads: 'Need to call someone? Contact the Division of Water Infrastructure at 919-707-9160.' Below this, there are links for 'Application Forms and Additional Resources' and 'Also includes the guidance for providing an application narrative, the Affordability Calculator and other forms, and training on completing funding applications.' Further down, there are links for 'Unique Entity ID (UEI) number look' and 'DEQ's Community Mapping System'. A warning message states: 'Click **Submit** below when ready, or click **Save as Draft** if you want to return and complete the application later (it will not be considered complete until you click on **Submit**). Once you submit an application, you cannot edit your application or files. If you need to make a correction after you submit an application, submit a new application and contact the Division.' At the bottom of the content area, there are 'Previous' and 'Next' buttons. Below the content area, there is a reCAPTCHA widget with the text 'I'm not a robot' and a 'Submit' button. To the right of the reCAPTCHA is a 'Save as Draft' button. The North Carolina Department of Environmental Quality logo is visible in the top left corner of the application window.

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## Discussion Time

The slide features a scenic background image of a lake surrounded by trees with vibrant autumn foliage. A gazebo is visible on the shore. Overlaid on the image is the text 'What questions do you have?' in a large, white, sans-serif font. In the bottom right corner, there is the logo for the North Carolina Department of Environmental Quality (DEQ), which consists of a green outline of the state of North Carolina with the letters 'DEQ' in large green font inside, and the text 'NORTH CAROLINA Department of Environmental Quality' below it.

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## *Wastewater and Drinking Water Projects*



### *Emerging Contaminant Funding Overview*



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### *(New) BIL-SRF-Emerging Contaminants (EC) Funding: Summary*

- North Carolina's BIL EC funding program limited to projects addressing PFAS contaminants
- Must have documented PFAS contaminants in the drinking water or wastewater exceeding levels specified in the PRS and PRS guidance.
- PFAS contaminants with a proposed MCL or HI get higher priority compared to other PFAS contaminants without proposed standards

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*(New) BIL-SRF-Emerging Contaminants  
(EC) Funding: Summary*

- BIL EC funding caps
  - DW construction projects - \$5M per applicant per project
  - CW construction projects - No cap, however, total available funding is approximately \$5.3M
  - Study projects - \$500,000 per applicant
- Check DW-EC or WW-EC as Funding Type on Application Form
- Be mindful of total available funding when entering minimum acceptable grant amount for the project



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*(New) BIL-SRF-Emerging Contaminants (EC)  
Funding: Summary*

- Applicants use the same common application
- Only certain line items will be considered for prioritizing EC projects (see PRS and PRS guidance)
  - Claim all applicable line items, including EC-eligible line items
  - EC projects will compete only with other EC projects for the available BIL EC funds
  - EC projects will compete with all other projects for other funding programs

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## *Wastewater and Drinking Water Projects*



### *Project Priority Systems Wastewater Drinking Water CDBG-I*



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## *Priority Rating System (PRS)*

- Used to prioritize projects for funding recommendations
  - Staff recommend to fund in priority order
  - Best funds available are provided in priority order
- Claim all the points you can document
  - You may claim more points than the priority point cap for each PRS Section
- Include scoresheet along with narrative and supporting documentation
- Provide ALL the required documentation listed in the PRS guidance
- Only the information provided in the application will be considered

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## *Priority Rating System*

Read PRS Guidance carefully!

- Lists what is required in the narrative
- Lists and describes necessary supporting documents
  - Maps
  - Non-compliance documents
  - Etc.
- Provides examples
- Provides tips and recommendations



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## *Priority Rating System*

- “Roll-downs” can happen in some situations
  - Project Purpose
  - Resiliency (2.N)
  - Capital Planning (3.A)
- If unsure, ask questions before submitting application



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## *DW / WW / CDBG-I Priority Rating Systems for Construction Projects*

- **Categories**
  - Category 1 – Project Purpose
  - Category 2 – Project Benefits
  - Category 3 – System Management
  - Category 4 – Affordability
- Use appropriate score sheets for drinking water and wastewater programs
- Presentation focuses on problem areas, updated guidance clarifications, and EC-eligible line items



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## *Priority Rating System – Category 1 – Project Purpose (25 points max)*

- The entire project must support the claimed purpose (except as specified in PRS guidance)
- Staff will consider other project purpose points if there is insufficient documentation to award claimed Project Purpose
- Projects not earning purpose points are still eligible for funding...
  - ...but do not qualify for principal forgiveness



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### *1.A Consolidate Nonviable Systems (DW, WW, CDBG-I) 25 points*

Consolidation of Nonviable Systems are the highest priority projects for funding

Two situations for becoming a nonviable system:

#### 1. Nonviable due to system Failing

- WW – Division of Water Resources has determined system is failing
- DW – Public Water Supply Section has determined system is failing

#### 2. Nonviable as determined by DWI

- Must be currently designated as distressed or have requested designation as distressed
- Must meet with DWI 30 days prior to application.

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### *1.A Consolidate Nonviable Systems (DW, WW, CDBG-I) 25 points*

- Eligible projects receive the highest amount of Project Purpose points (25 pts)
- 1.A. eligible projects receive other Project Benefit points
- 1.A. eligible projects may consider rescuing system for claiming System Management points
- 1.A. eligible projects may consider the nonviable system for claiming Affordability points.

See guidance for documentation requirements

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### *1.B Resolve Failed or Failing Infrastructure (DW, WW, CDBG-I)*

- Points
  - WW – 20
  - DW – 22
  - CDBG-I – 15
- 100% of the cost must be to resolve failing infrastructure
- Drinking water
  - Physical extension of service to connect failed systems
  - Contaminated wells with MCL exceedances
  - Wells whose yield has declined by at least 50%

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### *1.B Resolve Failed or Failing Infrastructure (DW, WW, CDBG-I)*

- Wastewater
  - Physical extension of service to connect
    - Failed septic systems
    - Failed non-discharge permitted disposal area
    - Onsite systems with NOV issued as per 15A NCAC 18A.1961
- Project must result in privately owned systems owned and operated by applicant

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### *1.C Rehabilitate/Replace Infrastructure (WW, DW, CDBG-I) 12 points*

- Rehabilitation or Replacement cannot “expand” capacity
- Like-for-like water and sewer line replacements (can upsize to meet minimum design criteria)
  - New pump station / treatment plant with same capacity as old system being decommissioned
  - Looping that amounts to <10% of total project construction cost is allowed
  - New treatment units that do not increase permitted capacity
- **New water supply intake structures and additional wells that are part of rehab and replacement of the water supply are not considered an expansion**

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### *1.C Rehab/Replace Infrastructure*

- Allows interconnection that replaces treatment or storage facility with no increase in capacity
  - Capacity can be established or limited via interlocal agreement
- Water meter replacement projects are not eligible 1.C. prioritization, unless the system is classified as “Distressed”
- Water meter replacement associated with waterline rehab/replacement is eligible.
- If not eligible for 1.C, may “roll down” to 1.D



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### 1.C.1 Old Infrastructure – Age

- Must earn 1.C points in order to get 1.C.1
- Earn additional points for old infrastructure
  - Treatment and pumping units – 20 years
  - Distribution / collection lines – 40 years
  - SCADA / process control / information technology – 10 years
  - Obsolete pipe materials: ACP, VCP, galvanized iron, cast iron, Orangeburg, etc.
- At least 50% of the construction cost is associated with replacing old infrastructure
- Show clearly in budget
  - What is older than threshold
  - Whatever is not identified as old in the budget or narrative is assumed to be newer than threshold.
- **Explain how you know the age**



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### 1.C.1 Old Infrastructure Budget Example

Line Item	Division Funding Requested
Replace 10,000 LF 8-inch pipe (older than 40 years)	\$100,000
Replace 3,000 LF of 8-inch pipe (less than 40 years old)	\$30,000

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### *1.C.1 Old Infrastructure – Lead Service Lines*

- For drinking water projects only
  - Replacing lead service lines or goosenecks/pigtails regardless of age
- Required
  - Explanation of how you know they are lead
  - Map showing location of lead service lines to be replaced



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### *1.D. Expansion*

- Increase water/sewer line sizes or treatment capacity to meet current needs
- Interconnection projects that add treatment or storage capacity (no new connections). Must also document and receive 2.K points
- Additional wells, treatment plants, pump stations or storage tanks to meet current and justifiable future growth
- New water lines solely to serve future development are not eligible for 1.D points (nor DWSRF funding)



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### *1.E. Service to Disadvantaged Areas (DW/WW)*

- 20 points for DW and CW
- Qualification: 75% of construction costs to provide connection or alternative service
- “Disadvantaged area” based on affordability of water and/or sewer rates relative to income levels of residents
  - Median household income
  - Poverty rates
  - Additional factors such as socio-economic or existing contamination factors (see Guidance)
- Compare project area data to LGU indicators, when possible



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### *1.E. Service to Disadvantaged Areas (DW/WW) – Documentation Requirements*

- Narrative
  - Justification of targeted project area as disadvantaged
  - Project budget
    - At least 75% construction cost to provide service to disadvantaged residences
    - Budget line items necessary to provide service to disadvantaged areas must be clearly identified
    - May include line items for private side connection and/or system development fees
- Project map that
  - Identifies disadvantaged area (must clearly show project area is in disadvantaged area)
  - Identifies properties to be connected (must be clear that properties are in disadvantaged area)

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## Budget Example – Disadvantaged Area – \$4.7M Project

Line Item	Project Cost
<b>Construction Costs</b>	
10-inch gravity sewer dis. area	\$2,000,000
10-inch gravity sewer	\$750,000
8-inch gravity sewer dis. area	\$1,000,000
50 sewer laterals dis. area	\$100,000
Subtotal:	\$3,850,000 (\$3.1M=80.51% d/u)
Contingency (10%)	\$385,000 (80.51% d/u=\$309,964 of cont.)
Total Construction – dis. area.	\$3,409,964
Total Construction – Other	\$825,036
Total Construction	\$4,235,000
<b>Engineering Costs</b>	\$100,000
<b>Admin Costs</b>	\$100,000
<b>Connection Fees</b>	\$250,000
<b>Total Project Cost</b>	=\$4,685,000 (dis. area=\$3,859,964)

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## Other Category 1 Points (CWSRF only)

- Option for stormwater projects
- 1.G Stream, Buffer, Wetland Restoration now 15 points
- 1.H Stormwater Control Measures (SCM)
  - Now 10 points
  - Note change in terminology from BMP to SCM
- 1.I Reclaimed water / rainwater harvesting now 10 points



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### Category 1.J Points (DWSRF/CWSRF- EC only)

- Only projects addressing PFAS compounds are eligible to receive BIL EC funds
- 1.J: Project will address PFAS (must document and receive 2.H.3 or 2.H.4 to be eligible to receive 1.J points)
  - 1.J.1: 100% of the costs must be to address PFAS (20 points)
  - 1.J.2: minimum 75% of the costs must be to address PFAS (15 points)
  - 1.J.3: PFAS-related study/alternative analysis projects. 100% of costs must be related to PFAS studies (5 points)
    - Once funded, Applicant will work with PWS to refine scope

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## Priority Rating System

### Category 2 – Project Benefits



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## *Category 2 – Project Benefits*

- Only a portion of the project must relate to a specific benefit
- Project Benefits points only earned when the Applicant identifies a direct connection between the project and the type of expected benefit
- Narratives must fully describe the benefits of the proposed project and how the benefits arise from the Project Purpose
- In cases where a single application includes multiple project types, Project Benefit points must match the Project Purpose that was claimed

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## *2.A Provides Specific Environmental or Public Health Benefit (CDBG-I)*

Expanded to include additional environmental and public health benefits to list of projects that could receive these priority points:

- Eliminating malfunctioning onsite wastewater systems
- Eliminating lead service lines
  - Must document that at least 50% of the construction cost is to replace lead service lines



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## *2.A Provides Specific Environmental or Public Health Benefit (CDBG-I), continued*

### Common Errors

- Maps do not show spill locations
- No documentation
- One spill report that does not convey a pattern of a problem
- Narrative is not clear – does not link problem with project area
- No proof that at least one SSO reach a body of water because I/I in project area
- Project area not shown on map
- Backup documentation did not match narrative

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## *2.A.1 Eliminates 20% or More (CDBG-I)*

- Expanded to include eliminating malfunctioning (failing) onsite wastewater systems and lead service lines
- For projects that eliminate malfunctioning onsite wastewater systems, applicants must provide copies of the notice of violations documenting system is malfunctioning per 15A NCAC 18A.1961



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### *2.B.1 Specific Public Health Benefit (DW)*

- 2.B.1 – 20 points
- Points are only for projects benefiting Public Water Systems
  - Project replaces dry wells (must also earn 1.B)
  - Addresses contamination of a public drinking water source (must also earn 2.H.1 or 2.H.2)
  - Project resolves managerial, technical and financial issues as documented by receiving 1.A points
  - 2.B.1 is no longer an eligible Emerging Contaminant line item



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### *2.B.2 Specific Public Health Benefit – Eliminates Lead Service Lines (DW)*

- 2.B.2 – 10 points
- This is to prioritize lead service line replacements under DWSRF program
- Applicable if a portion or all of the project eliminates lead service lines
- Must provide map and addresses of known lead lines
- Narrative must explain how the service lines were determined to be made of lead

These projects should consider applying for funding from the BIL LSLR funding program when 100% of project is related to LSL replacement/identification



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## *2.C. Provides Specific Environmental Benefit (WW)*

- 2.C.1 – Project replaces or repairs certain sewer lines, eliminates failed onsite system or non-discharges systems, or resolves managerial, technical and financial issues (15 points)
- 2.C.2 – Project eliminates malfunctioning onsite wastewater systems (10 points)



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## *2.C.1 Specific Environmental Benefit (WW)*

### Projects include:

- Providing public service to homes with failing septic systems
  - Must include letter from a registered Sanitarian, a licensed Soil Scientist, or County Health Department
  - Includes failed single-family residence spray/drip irrigation systems
- Repairing or replacing sewers with reported SSOs that
  - Reach bodies of water, or
  - Document backup into homes
- Project resolves managerial, technical and financial issues documented by receiving 1.A points

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### *2.C.2 Elimination of Malfunctioning Onsite Wastewater Systems (WW)*

- Failing ⇒ Authorized agent issues Notice of Violation per 15A NCAC 18A .1961
- Majority of homes (>50%) with failing systems must be connected
- Provide List of addresses where septic systems are malfunctioning
- Map requirements
  - Street names and house numbers of malfunctioning systems
  - New sewer lines
  - All systems to be connected to public sewer system
  - Copies of NOVs for any malfunctioning systems

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### *2.E Addresses Enforcement Documents (DW, WW)*

- 2.E.1 - Addresses Administrative Orders or Special Orders by Consent
- 2.E.2 - Resolves Notice of Violation or Deficiency
- Must clearly establish how proposed project will lead to compliance and address that specific regulatory requirement



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## 2.F System Merger or Regionalization (DW, WW, CDBG-I)

- 2.F.1 – System merger (10 points)
  - Physical consolidation into a single regional system
  - Merger of ownership and operation without physical consolidation
  - Interconnectivity alone does not qualify for 2.F.1
  - Eligible up to two years after the date of merger
- 2.F.2 – System regionalization or Partnership, still retaining separate ownership (5 points)
  - Must include agreements/merger documents between the systems
  - BIL EC PRS will consider these points if partnership help address PFAS contamination for one or more partners (must receive 2.H.3. or 2.H.4)

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## 2.H Project Addresses Contamination (DW & CDBG-I) EC eligible

- 2.H.1 Acute Contamination (15 points)
  - Primary Contaminants covered in Drinking Water Regulations
    - Have established MCLs
- 2.H.2 (10 points) Other-Than-Acute Contamination
  - Secondary Contaminants covered in Drinking Water Regulations
  - Contaminant has established SMCL and/or action level (iron, manganese, copper, lead, corrosivity, etc.)
  - 1,4 Dioxane added to this list
- 2.H.3 PFAS without proposed MCL or Hazard Index (5 points)
  - Any unregulated PFAS with levels exceeding 10 ppt
- 2.H.4 PFAS exceeding proposed MCL or HI (10 points)
  - PFOA, PFOS, GenX, PFBS, PFNA, PFHxS



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### *2.H.3 & 2.H.4 Emerging Contaminants Sampling requirements*

- Use EPA validated testing method for PFAS
- Public systems – At least one sample within last 12 months must exceed the threshold levels
- Private drinking water wells – At least one sample within last three years must exceed the threshold
  - All wells proposed to be connected must have PFAS levels exceeding threshold levels (to receive 1.J.1)
  - If contaminant is GenX and wells are located within 50 miles of Chemours with 25% wells exceeding threshold values will get 1.J.1
  - 1.J.2 – Minimum of 50% wells must have data exceeding thresholds and 75% of total cost must be to address PFAS

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### *2.H.3 and 2.H.4 Emerging Contaminants (WW, DW & CDBG-I)*

- Must replace or provide new treatment to a wastewater treatment or drinking water supply system affected by emerging contaminants
- Document how the project will reduce PFAS contaminants to below proposed MCL/HL or below 10 ppt for other unregulated PFAS
- See Guidance for detailed documentation requirements

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## 2.N Resiliency (2.N.1-2.N.7) DW, WW, CDBG

- Points range from 3 to 8
- Claim can be “rolled down”
- 2.N.1-2.N.3 – Move infrastructure out of floodplain
- 2.N.4, 2.N.5 – Fortify or elevate infrastructure within 100-yr Floodplain to assure continuous operation of infrastructure during flood events
- 2.N.6 – Downsize the infrastructure
- 2.N.7 – Redundancy/Resiliency
  - Includes eligible cybersecurity
  - Redundancy must be new or improved



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## 2.N.7. Redundancy / Resiliency

### Requirements

- Include redundant or resilient items in the project description
- New or increased redundancy / resiliency = points
- Replacing / repairing existing generator ≠ points
- Retrofitting with backup power = points
- New equipment with backup power ≠ points



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## 2.O Impaired Waters (WW)

- Project will directly benefit impaired waters
- Provide
  - Stream name and impairment(s) as documented in the Integrated Report
  - Discussion of impairment and connect the dots to show the project will directly benefit the impairment
  - Map(s) with project location, stream location and impaired segment
- Common errors
  - Project does not address impairment
  - Map does not adequately show location of project and impairment

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## 2.P. Special Water Classifications (WW)

- More classifications (UWL, PNA, AFSA, SAV)
- Show direct connection of projects to their impact on these waters
- Provide mapping
  - Project location
  - Location of special waters
  - SSO reports (for project claiming points due to SSO impacts)
- See Guidance for more information



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## Priority Rating System

### Category 3 – System Management



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### 3.A Capital Planning Activities

- Can only receive points for either 3.A1 or 3.A 2
- 3.A.1 - Asset Management Plan (10 points)
  - Narrative describes 4 key AMP areas (see Guidance)
  - AMP must be fully implemented
  - Must qualify for 3.A.2 points
  - For CDBG-I only, must provide complete AMP with application
- 3.A.2 - Capital Improvement Plan (2 points)
  - CIP must be adopted within 2 years of application
  - CIP must span 10 years from the adoption date
  - For the first 5 years, list projects with cost by year
  - Next 5 years, list projects and total costs, including year planned or priority of those projects not required
  - Project is clearly highlighted in the priority matrix



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### 3.A.2 Capital Improvement Plan

#### Common Errors

- More than 2 years old
- Spans less than 10 years
- Lacks minutes showing adoption (certification not sufficient)
- Project applied-for not evident and unambiguous on CIP
- Includes only O&M expenses and/or a single project (project applied for)
- Large cost difference between CIP and Application not clearly explained
- No explanation of change in CIP priority
- **Not providing application narrative**
- **Not providing full AMP for CDBG-I**



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## Priority Rating System

### Category 4 – Affordability



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#### 4.A Residential Connections (DW / WW)

- Only claim one sub-category based on the number of connections
  - Less than 10,000 residential connections, or
  - Less than 5,000 residential connections, or
  - Less than 1,000 residential connections
- Use only number of sewer or water connections as of date of application



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#### 4.B Current Monthly Utility Bill at 5,000 Gallons

- New for CDBG-I
- Ranges from 4 points to 10 points
- Only claim one sub-category based on the current monthly utility combined bill for 5,000 gallons
- Rates must match those on rate sheet(s) submitted
- Use sewer bill and water bill
- Use conversion factor for single-system utilities
  - 0.4 for water-only systems
  - 0.6 for sewer-only systems
- Use lowest residential rate, “in-town rate”
- Provide calculations



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#### 4.C Local Government Unit (LGU) Indicators (DW / WW)

- Only claim one sub-category
  - 3 out of 5 LGU indicators worse than state benchmark, or
  - 4 out of 5 LGU indicators worse than state benchmark, or
  - 5 out of 5 LGU indicators worse than state benchmark, or
  - Project benefits a disadvantaged area
- LGU Indicators are
  - Property Valuation per Capita
  - Percent Population Change
  - Poverty Rate
  - Median Household Income
  - Unemployment Rate



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#### 4.C.4 Benefit to Disadvantaged Areas (DW / WW)

- Use to be Line Item 4.D
- 4.C.4: 5 points - Requirements updated for Fall 2023
- Additional priority to projects benefiting disadvantaged areas
- Disadvantaged Area definition – Similar to definition for Line Item 1.E
- Benefit related to public health and the environment (not financial)
- Qualification: 50% of construction costs ⇨ benefit disadvantaged area
  - Cost for treatment plant upgrades or distribution/collection systems must be divided equitably over service area

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#### *4.C.4 Benefit to Disadvantaged Areas (DW / WW)*

##### Documentation

- See Guidance for more details
- Projects receiving 1.E points will receive 4.C.4 points without additional documentation
- Justification Narrative (similar to Line Item 1.E)
- Map (similar to Line Item 1.E)
- Public health or environmental benefit to disadvantaged area
- Project budget (similar to Line Item 1.E)
  - When project benefits also customers outside of a DA, the infrastructure cost should be pro-rated based on % of DA's population, service connections, or other documented approach.
  - Include calculations!

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#### *4.C.4 Benefit to Disadvantaged Areas (DW / WW)*

- Projects documenting 4.C.4 points are also eligible for 50% PF (up to \$500,000)
- Projects benefiting disadvantaged areas must provide documentation in 4.C.4 to be eligible for PF even if you are claiming other 4.C points.

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*Pop Quiz: DW/WW/CDBG-I Priority Rating  
Systems – Question #1*

- I have a project to address emerging contaminant. I should complete only the EC portion of the PRS
- True
- False



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*Pop Quiz: DW/WW/CDBG-I Priority Rating  
Systems – Question #2*

- For Category 1 points, how much of the project must fit the project purpose?
  - A. Just a portion
  - B. All of it
  - C. None of it
  - D. It doesn't matter



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*Pop Quiz: DW/WW/CDBG-I Priority Rating  
Systems – Question #3*

- If for some line items Category 1 (1.C.1, 1.D.1, 1.J.1, 1.J.2) and Category 4 (4.C.4), what should you do in the project budget?
- A. Lump everything together
  - B. Break out what applies specifically to these line items
  - C. Not list any project costs
  - D. None of the above



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*Local Assistance for Stormwater Infrastructure  
Investment*



*Stormwater Eligibility*



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## LASII Eligibility Form

**\*\*\* This Entity Eligibility Certification Form MUST be included in the Application Package \*\*\***

### Local Assistance for Stormwater Infrastructure Investments Fund Entity Eligibility Certification Form

North Carolina General Assembly Session Law 2021-180 Section 12.14 defines an eligible entity as follows: a city<sup>1</sup> or county that (i) documents in a form and manner as the Department may specify a stormwater quality or quantity issue and (ii) demonstrates that it would experience a significant hardship raising the revenue necessary to finance stormwater management activities within its jurisdiction based on income and unemployment data, population trends, and any other data determined relevant by the Department. A regional council of government created pursuant to Part 2 of Article 20 of Chapter 160A of the General Statutes or a nonprofit entity is also an eligible entity under this section if the regional council of government or nonprofit entity partners with a city or county. An applicant seeking stormwater grant funding from the LASII funds must document the following items on this LASII Entity Eligibility Certification Form:

#### 1. Document a Stormwater Quality or Stormwater Quantity Issue

(Required by Session Law 2021-180 Section 12.14 (d)(1))

A. Provide a narrative that describes the stormwater quality issue and/or stormwater quantity issue, based on historic or projected precipitation, and how the grant will be used to address the issue

<sup>1</sup> "City" means municipality and includes towns and villages

LASII Entity Eligibility Certification Form  
Page 1



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## LASII Eligibility Form – Section 1

- Description of stormwater quantity and/or quality issue
- Map and/or narrative identifying location of stormwater quantity and/or quality issue
- Photographs of stormwater quantity and/or quality issue (if available)
- Rainfall data (if available)
- Other information
- See guidance & eligibility form



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## *LASII Eligibility Form – Section 2*

- Demonstration of significant hardship
- Check the appropriate item in the Eligibility Certification:
  - 2.A - LGU Indicators or Benefits to Disadvantage Areas OR
  - 2.B – Develop and Implement a New Stormwater Utility

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## *LASII Eligibility Form – Item 2.A*

- Criterion 1 - LGU Indicators
  - Significant hardship – At least 1 of 5 LGU indicators worse than state benchmark
  - Complete the Eligibility Certification Form LGU Indicator Table to determine eligibility (using the link provided in the Form) OR
- Criterion 2 – Disadvantage Areas
  - 75% project construction cost benefits disadvantage areas using Project Budget
  - Portion of City or County identified by Community Mapping System OR
  - Narrative must sufficiently describe disadvantage factors including median household income, poverty rates, property valuation per capita, employment rate for targeted area or additional factors that may qualify (see guidance)

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### *LASII Eligibility Form – Item 2.B*

- City or County does not currently have a stormwater utility with a stormwater enterprise fund
- Provide a statement that application is to develop & implement a Stormwater Utility with a Stormwater Enterprise Fund
- Provide a resolution to develop and implement a Stormwater Utility with a Stormwater Enterprise Fund

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### *LASII Eligibility Form – Section 3*

- Applicable to Councils of Government (COG) or nonprofit entity partnering with an eligible City or County
- Provide
  - Name and address of COG or nonprofit entity
  - COG primary contact name, title, and contact information
  - City/Count primary contact name, title, and contact information
  - Copy of executed instrument used to establish partnership



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*LASII – Grant Limits*

The FY2023-2024 Budget has not been passed so the funding including grant limits have not been determined

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*Local Assistance for Stormwater Infrastructure Investment*



***Required Narrative for All Projects***



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## *LASII –Narrative for All Projects*

- Required for all applications
- Must address all items discussed in guidance
- Read guidance
- If required narrative not applicable, state “Not applicable”



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## *LASII –Narrative for All Projects*

- Describe the source of the water that is causing the stormwater quality and/or quantity "issue"
  - Upstream flow problems?
  - Rainfall directly falling onto area?
  - Is stormwater overflowing streambank an issue?
  - Is the streambank being eroded?
- Mapping
  - Provide maps at a reasonable scale that clearly depicts issues



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## *LASII – Narrative for All Projects*

- Do you have an established Stormwater Utility?
  - Date of utility establishment
- Do you have an established Stormwater enterprise fund?
  - When fund created and first fees collected
- Revenues
  - Estimate of amount collected in past 12 months
  - Source of revenue
- Funds expended
  - Estimate amount in past 12 months
  - Source of expenditures



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## *LASII – Narrative for All Projects*

- Provide NPDES Municipal Separate Storm Sewer System (MS4) permit (if applicable)
  - Permit number, issue date, summary of compliance issues
- For Stormwater Planning Studies
  - Provide detailed description of proposed stormwater planning activity and goals of the proposed planning activity
- Public input – Describe any public input sessions or notifications about the project



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## *LASII – Narrative for All Projects*

- Stormwater planning study only provide
  - Detailed description of proposed stormwater planning activity
  - Goals of the proposed planning activity
- Public input – Include input focused on residents and / or businesses most directly impacted by project
  - Describe any public input sessions
  - Provide notifications about public input sessions



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## *Local Assistance for Stormwater Infrastructure Investment*



### *Stormwater Construction Projects Priority Rating System*



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## *LASII Priority Rating System for Construction Projects*

- **Categories**
  - Category 1 – Project Purpose (35 points max)
  - Category 2 – Project Benefits (30 points)
  - Category 3 – System Management (10 points)
  - Category 4 – Affordability (15 points)
- Make sure project is eligible
- Read the guidance
- Submit scoresheet with narrative & supporting documentation



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## *LASII Priority Rating System for Construction Projects*

### Priority Rating System

#### Category 1 – Project Purpose (35 points max)



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## *1.A – Stormwater Control Measures (SCMs)*

- > 50% of construction cost used for SCMs to control stormwater quality
- Nature-based SCMs
- Non-nature-based SCMs
- SCMs must adhere to NC Stormwater Design Manual Part C: Minimum Design Criteria (statement required in narrative)



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### *1.A.1 Nature-Based SCMs (35 points)*

- Must clearly demonstrate how SCM meets definition of a nature-based stormwater solution
- Narrative must include
  - Description of how SCM meets definition of nature-based solution
  - List of potential types of SCMs to be used and key design considerations
  - Map showing location of proposed SCMs
  - If receiving runoff, % of impervious area tributary to SCM for existing and future development
  - Future growth and development – Document how additional runoff will be managed



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### *1.A.2 Non-Nature-Based Solutions (25 points)*

- IF the proposed SCM is not nature-based, the Application will earn points under Line Item 1.A.2
- Narrative must include
  - List of potential types of SCMs to be used and key design considerations
  - Map showing location of proposed SCMs
  - If receiving runoff, % of impervious area tributary to SCM for existing and future development
  - Future growth and development – Document how additional runoff will be managed



123

123

### *1.B Restoration of Streams, Wetlands, Buffers, and Estuaries (25 points)*

- For projects that will restore streams, wetlands, buffers, or estuaries from existing substandard state to a more natural state to control stormwater quality
- Narrative must include statement that project is not to satisfy compensatory mitigation credits
- Supporting documentation
  - Map showing proposed streams, wetlands, buffers, or estuaries to be restored
  - Photographs showing current condition
    - Taken no longer than 3 months before date of application
    - Include date stamp

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### *1.B.1 Restoration of 1<sup>st</sup> Order Stream (2 points)*

- For projects that restore first-order stream and includes stormwater infiltration SCMs
- Narrative – Discuss key design considerations that support implementation feasibility
- Supporting documentation – Map showing
  - Name (if named) / location of first-order stream
  - Streams / wetlands / buffers to be restored
  - Location of stormwater infiltration SCMs



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### *1.B.2 Restoration of Permanent Riparian Buffers (2 points)*

- Restoration of permanent riparian buffers at least 30 feet on both sides of stream
- Narrative must state
  - Restoration meets
    - Woody vegetation for Zone 1
    - Woody or herbaceous vegetation for Zone 2
  - Protection for a minimum of 30 feet on each side of stream
  - Removal of all stormwater discharges through buffer not associated with natural drainageways if applicable



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### *1.C Stormwater Infrastructure for Quantity Control (25 points)*

> 50% of construction costs used to create / improve / retrofit / repair / rehabilitate / replace existing stormwater infrastructure to control stormwater quantity



127

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### *1.C Stormwater Quantity Improvement (25 points)*

- Narrative must include
  - Statement of primary purpose is not to improve / repair transportation infrastructure
  - Demonstrate one of the following
    - Project will reduce flow downstream, or
    - Project will not increase flow downstream, or
    - No downstream impacts resulting from the project
  - Map showing location of proposed stormwater infrastructure

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### *1.D Rainwater Harvesting and Utilization (25 points)*

- SCM from Wastewater SRF Priority Rating System
- Narrative must include
  - Map showing proposed stormwater infrastructure
  - Description of surfaces of collected rainwater
  - Description of how water is collected and stored
  - Description of how the rainwater will be used
  - Document the fate of the harvested rainwater



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### *LASII Priority Rating System for Construction Projects*

#### Priority Rating System

#### Category 2 – Project Benefits (30 points max)



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## 2.A Water Quality Improvements

Earn points for only one of sub-categories



131

131

### 2.A.1 Impaired Waters (15 points) & 2.A.2 Special Water Classifications (10 points)

- Line Item 2.A.1
  - Project will directly benefit impaired waters
  - Provide
    - Stream name and impairment(s) as documented in the Integrated Report
    - Discussion of impairment and connect the dots to show the project will directly benefit the impairment
    - Map(s) with project location, stream location and impaired segment
- Line Item 2.A.2
  - Project will directly benefit classified waters
  - Provide mapping
    - Project location
    - Location of special waters
  - See guidance for more information

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### *2.A.3 Achieves 35% reduction in Total Nitrogen and Total Phosphorus in NSW Waters (10 points)*

- Must achieve  $\geq 35\%$  reduction in both TN and TP in Nutrient Sensitive Waters (NSW)
- Narrative must include
  - River basin name, stream name, index number, stream classification
  - Watershed classification
  - Statement – Project will adhere to NC SCM Credit Document requirements
  - Percentage of reductions achieved
  - Letter needed from NC DEQ Stormwater Program if
    - Implementing item from NC SCM Credit Document for “possible” credits
    - Due to existing site limitations, reasonable expected % pollutant reduction if unable to meet design requirements

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### *2.A.4 Achieves 35% reduction in Total Nitrogen and Total Phosphorus in Non-NSW Waters (5 points)*

- Must achieve  $\geq 35\%$  reduction in both TN and TP in Non-Nutrient Sensitive Waters (NSW)
- Narrative must include
  - River basin name, stream name, index number, stream classification
  - Watershed classification
  - Statement – Project will adhere to NC SCM Credit Document requirements
  - Percentage of reductions achieved
  - Letter needed from NC DEQ Stormwater Program if
    - Implementing item from NC SCM Credit Document for “possible” credits
    - Due to existing site limitations, reasonable expected % pollutant reduction if unable to meet design requirements

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### *2.A.5 Benefits NC Natural Heritage Program (NCNHP) Natural Area (3 points)*

- Must identify a direct connection between what project will accomplish and improvement of water quality in a NCNHP Natural Area rated “General” or above
- Narrative – Description identifying direct connection
- Supporting documentation
  - Screenshot/printout of NCNHP natural area
  - Identify project location with landmarks to identify project location



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### *2.B Flood Reduction*

- Earn points for only one of sub-categories



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### *2.B.1 Increases Public Safety (15 points)*

- Will help applicant to access and operate critical infrastructure during flood events
- Narrative – Describe
  - Why infrastructure is critical
  - How project will improve access and operation of critical infrastructure during flood events
- Supporting documentation – Map showing location of critical infrastructure or NCDOT evacuation routes
- See guidance for NCDOT evacuation route link



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### *2.B.2 Reduces Structural Flooding (8 points)*

- Will reduce structural flooding of habitable structures
- Narrative
  - Statement of the nature of flooding (crawl space, finished basement, finished first floor, etc.)
  - Statement of cause of flooding
  - Total number of structures where flooding will be reduced
- Supporting documentation – Map showing location of each qualifying habitable structure
- See guidance



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### *2.B.3 Reduces Street Flooding (5 points)*

- Narrative
  - Identify streets to be addressed by project
  - Cause of street flooding
  - Whether street flooding prevents residents from accessing their home during a flood event
  - How project will reduce street flooding
- Supporting Documentation – Map showing location / extent of street flooding to be addressed by project
- See guidance



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### *2.C Collaboration Efforts (10 points)*

2 or more units of local government will improve stormwater quality or quantity control through collaborative efforts necessary to accomplish project



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## 2.C Collaboration Efforts (10 points)

- Narrative
  - Goals / outcomes of proposed project and expected benefits
  - Why each unit of local government must participate in project
  - Previous collaboration
  - Status of any previous stormwater quality or quantity work related to project
- Supporting documentation
  - Resolution or board meeting minutes showing motion to approve collaborative effort participation
  - Map showing project location & line of demarcation between participating jurisdictions
- See guidance



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## 2.D Innovative Projects (5 points)

Innovative projects that address stormwater quantity see narrative guidance OR the NC DEQ Stormwater Design Manual to address stormwater quality



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## *2.D Innovative Projects (5 points)*

- Innovative stormwater quantity narrative
  - Project description and reason it is innovative
  - How it will support utilization of new or different practices
  - How project will
    - Build on current stormwater experiences and practices
    - Advance practices in stormwater quantity management
  - How applicant will disseminate findings and results
- Innovative stormwater quality narrative
  - Documentation of how project meets innovative stormwater quality requirements
  - How project will
    - Build on current stormwater quality management experiences and practices
    - Advance practices in stormwater quality management
  - How applicant will disseminate findings and results

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## *2.E Public Education Component (1 point)*

- Discuss a commitment to provide a public education feature
- See guidance for more information



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## *LASII Priority Rating System for Construction Projects*

### Priority Rating System

#### Category 3 – System Management (10 points max)



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### *3.A. Local Planning*

- Earn points for one of these subcategories



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### 3.A.1 Developed Plans (5 points)

You receive these points if you have adopted or will adopt per Project Resolution any of the following plans:

- Flood resiliency,
- Watershed,
- Stormwater management,
- Stream restoration, or
- Estuary restoration



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### 3.A.1 Applicant has or will Adopt one of the Plans (5 points)

- Adopted Plan Must Meet the Following Criteria—
  - Plan must identify the issue and solution to the issue
  - Referenced Plan does or will describe issue and solution
  - Proposed project is or will be the solution to the issue.
- Narrative must include:
  - Resolution or board meeting minutes which shows a motion to approve and adopt plan
  - Demonstrates adopted Plan supports need for project
  - Include adopted Plan and page numbers that identify the proposed project.



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### *3.A.1 Applicant has or will Adopt one of the Plans (5 points)*

- Applicant will Adopt a Resolution
  - Applicant must:
    - State within the Resolution by Governing Bodies for Funding that one of the Plans will be developed by completion of this project and includes this project.
  - Narrative must include:
    - Description of how the Plan to be adopted will support need for the proposed project.



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### *3.A.2 Applicant will develop one of the Plans (2 points)*

- Applicant will develop one of the stormwater-related Plans by completion of the project and proposed project identified in Plan
  - Narrative must include:
    - Statement that applicant will develop one of the Plans by the completion of the project and the proposed project will be identified in the Plan, and
    - Description of how the Plan to be adopted will support need for the proposed project.



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### *3.A.3 Applicant has or will Adopt a Stormwater Management Program(5 points)*

#### Applicant has adopted a Stormwater Management Program

- Adopted Program Must Include the Following Components:
  - Dedicated stormwater management staff at least 0.5 FTE
  - An asset map, inventory and assessment.
- Narrative must include:
  - Resolution or board meeting minutes which shows a motion to approve and adopt plan
  - Statement of when the Stormwater Management Program began operation.
  - A link to information about the Stormwater Management Program



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### *3.A.3 Applicant has or will Adopt a Stormwater Management Program(5 points)*

#### Applicant will adopt a Stormwater Management Program

- Applicant must:
  - State within the Resolution by Governing Bodies for Funding that it will adopt a Stormwater Management Program by completion of this project.



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### *3.A.4 Applicant will develop a Stormwater Management Program(2 points)*

#### Applicant will develop a Stormwater Management Program

- Narrative must include:
  - Statement that applicant will develop a Stormwater Management Program by the completion of the project, and
  - Description of the development of the Program.



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### *3.B Operation & Maintenance Plan (3 points)*

- O&M plan must be active as of date of application
- Narrative
  - Date plan was implemented and statement of active use
  - Identification of responsible parties
  - Estimate of annual O&M expenditures
  - Link to website or provision of plan
- See guidance for O&M Plan minimum requirements



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### *3.C Stormwater Capital Improvement Plan (2 points)*

- Narrative
  - Statement of years covered by CIP
  - Description of project in CIP ⇒ unambiguously same project seeking funding
  - Explanation (if needed) of why project has moved ahead in CIP
- Supporting documentation
  - Resolution or board meeting minutes showing motion to approve and adopt CIP within 2 years of application deadline
  - Printout of stormwater CIP Priority list
- See guidance



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### *3.D Stormwater Utility (5 points)*

- Applicant Adopted Stormwater Utility and Stormwater Enterprise Fund
  - Narrative
    - Statement of when the Utility and Enterprise Fund began operation and when first fees were collected
    - Link to Utility and Enterprise Fund, including rates and fees on website or provide information
  - Supporting documentation
    - Resolution or board meeting minutes which shows motion to approve and adopt Utility and establish Enterprise Fund
- Applicant has Resolution to develop or implement a Stormwater Utility with a Stormwater Enterprise Fund
  - Statement that applicant is developing or implement Utility with Enterprise Fund
  - Status of development of Utility with Enterprise Fund
  - When development & implementation will be complete with an estimate of when fees will be collected

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### *3.E Local or Regional Resilience Planning (3 points)*

- Identified through local or regional resilience planning process to address flooding, sea level rise, or other environmental changes
- To qualify for points, local or regional plan must address a timeframe of at least 5 years



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### *3.E Local or Regional Resilience Planning (3 points)*

- **Narrative**
  - Include local / regional resilience plan name, publication date, and organization
  - Timeframe addressed by plan
  - Concise summary of
    - Project connection to the plan
    - Future conditions utilized to complete vulnerability assessment
    - Long-term strategies for addressing challenges faced (with page references in plan)
- **Supporting documentation**
  - List of organizations and / or citizens
    - Participating in plan development
    - Who approved final plan
  - Printout of pages specifically referenced with sections discussed highlighted

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## *LASII Priority Rating System for Construction Projects*

### Priority Rating System

#### Category 4 – Affordability (15 points max)



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### *4.A Population*

Choose one of the subcategories

- 4.A.1 Population < 10,000 people (3 points)
- 4.A.2 Population  $\geq$  10,000 people (2 points)



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## 4.B Local Government Unit Indicators

- Choose one of the subcategories
  - 4.B.1 – 1 of 5 LGU indicators worse than state benchmark (4 points), OR
  - 4.B.2 – 2 of 5 LGU indicators worse than state benchmark (6 points), OR
  - 4.B.3 – 3 of 5 LGU indicators worse than state benchmark (8 points), OR
  - 4.B.4 – 4 of 5 LGU indicators worse than state benchmark (10 points), OR
  - 4.B.5 – 5 of 5 LGU indicators worse than state benchmark (12 points), OR
  - 4.B.6 – Project benefits disadvantaged area (next slide)
  
- LGU Indicators are
  - Property Valuation per Capita is less than \$133,264
  - Percent Population Change is less than 3.1%
  - Poverty Rate is greater than 13.7%
  - Median Household Income is less than \$60,516
  - Unemployment rate is greater than 4.9%



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## 4.B.6 Disadvantaged Areas (10 points)

- Project benefits disadvantage areas
- Same criteria as WW and DW projects
- Narrative
  - Description of the stormwater quality issue and/or stormwater quantity issue in the disadvantage area
  - Description of how the proposed project will directly improve the water quality issue or reduce the severity/frequency of flooding
  - Separate narratives must be provided for stormwater quality and stormwater quantity issues



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## *Local Assistance for Stormwater Infrastructure Investment*



### *Stormwater Planning Grants*



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## *LASII Priority Rating System for Planning Grants*

- Categories
  - Category 1 – Project Benefits (20 points)
  - Category 2 – System Management (12 points)
  - Category 3 – Affordability (12 points)



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## *LASII Planning Grants – Opening Narrative*

- Top 3 stormwater-related challenges over next 5 years (required)
- Proposed planning study description (required)
  - Description
  - Goals
  - Scope of work
  - Expected deliverables
- Narrative
  - Consistent with application form
  - Must be complete and concise
  - If category not applicable, state as such
  - Address every line item
  - **Address every line item bullets**



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## *LASII Priority Rating System for Planning Grants*

### Priority Rating System

Category 1 – Project Benefit  
(20 points max)



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### *1.A Link Between Challenges & Study (0 to 5 points)*

- Describe how study will address at least 1 of top 3 challenges
- For previous studies, list
  - How this study will differ from past studies
  - Previous study's goals & recommendations
- Map of specific locations of challenges and project location



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### *1.B Develop & Prioritize Future Projects (0 to 3 points)*

- Describe how applicant will use study results to develop & prioritize future projects
- Describe how study will identify solutions to at least 1 of top 3 challenges
- Describe how applicant will use study results to prioritize funding
- Describe the actions that the applicant has taken to explore potential funding sources
- If potential funding sources have not been identified, state how you will determine funding sources



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### *1.C Stormwater Minimum Control Measures (2 points)*

- Must address at least one of the following Minimum Control Measures (MCM) defined in MS4 permit
  - Public education and outreach
  - Public involvement and participation
  - Illicit discharge detection and elimination
  - Construction site runoff controls
  - Post-construction site runoff controls
  - Pollution prevention and good housekeeping for municipal operations
- Narrative
  - Which MCM(s) have already been implemented & date of implementation
  - Which MCM(s) will be the subject of this study
  - Anticipated results



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### *1.D Collaboration (3 points)*

- For studies where 2 or more units of local government agree to collaborate in order to accomplish study goals
- Supporting documentation and Narrative – Same as LASII construction projects



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### *1.E Benefit to Impaired Waters, Classified Waters, or Sensitive Waters (2 points)*

- Option 1 – Project will benefit a sub-watershed that is impaired, OR
- Option 2 – Project will benefit specific classified waters, OR
- Option 3 – Project will benefit Nutrient Sensitive Waters, OR
- Option 4 – Project will benefit NC Natural Heritage Program natural areas
- See Guidance for Narrative requirements



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### *1.F Nature-Based Solutions (2 points)*

Demonstrate how solution will meet definition of a nature-based stormwater solution

- List the specific types of evaluated nature-based solutions
- Key design considerations that support implementation
- Demonstrate how the evaluated nature-based solutions meet the definition



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### *1.G Innovative Stormwater Project (2 points)*

- Investigates applicability of an innovative stormwater project to address stormwater quantity/quality issues
- Innovative stormwater quantity narrative
  - Describe new or different practices and reason it is innovative
  - How study will advance practices in stormwater quantity management
  - **How applicant will disseminate findings and results**
- Innovative stormwater quality narrative
  - Documentation of how study meets innovative stormwater quality requirements – NC DEQ Stormwater Design Manual “Areas of Research Needed” OR describe other new or different practices
  - How study will advance practices in stormwater quality
  - **How applicant will disseminate findings and results**

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### *1.H Decrease in Vulnerability (1 point)*

- Addresses vulnerability related to future conditions such as
  - Flooding
  - Sea level rise
  - Other environmental changes
- Narrative
  - How projects are evaluated will address these changes
  - How projects being evaluated will decrease vulnerability to future conditions
  - **Timeframe that the study will address**
  - **Concise statement of future conditions that will be used in vulnerability assessment**



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## *LASII Priority Rating System for Planning Grants*

### Priority Rating System

#### Category 2 – System Management (12 points max)



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### *2.A Stormwater Personnel (1 point)*

- At least 0.5 full-time equivalent (FTE) are actively spending their time on stormwater management activities
- Narrative
  - Identification of FTE(s) designated as responsible for stormwater management
  - Description of day-to-day stormwater management responsibilities & activities
  - Description of FTE's stormwater management qualifications, experience, and training
- Supporting documentation – If consultant contracted, copy of contract between consultant and applicant

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## 2.B Results from Previous Studies (1 point)

- Documentation of previous studies undertaken and status of study recommendations
- Previous study does not have to be stormwater-related
- Narrative
  - Describe previous planning study(ies) and goals
  - List recommendations
  - Provide date of study completion
  - Provide status of recommendations



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## 2.C Staff Involvement (1 point)

- Document staff members' involvement in developing ideas for proposed planning study as well as execution and implementation of study
- Narrative
  - Title & description of staff member role(s) in developing proposed study
  - Describe
    - How staff will be involved in executing the study
    - How staff will be involved in implementation of study recommendations
    - Role of staff members in future stormwater management activities



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### *2.D.1 Applicant has adopted or will adopt a Stormwater Management Plan (4 points)*

- Have already adopted a stormwater management plan for the study area
  - Provide resolution or board meeting minutes which shows a motion to approve and adopt the stormwater management plan
  - Include adopted Plan and page numbers that identify the proposed project.
- Study will lead to adoption of stormwater management plan
  - Provide resolution or board meeting minutes which shows a motion that applicant will develop and adopt stormwater management plan by completion of study
  - Describe issue in study area that will be investigated
  - Description of status of development of plan, timeline for completion and timeline for adoption

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### *2.D.2 Applicant will develop a Stormwater Management Plan (1 point)*

Narrative must include

- Statement that applicant will develop a stormwater management plan
- Statement that the Stormwater Management Plan will identify a specific stormwater management issue
- Description of status of development of the stormwater management plan
- See guidance

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### *2.E Stormwater Utility & Stormwater Enterprise Fund (5 points)*

- Applicant has adopted a Stormwater Utility & Stormwater Enterprise Fund
- Narrative must include
  - Resolution or board meeting minutes showing motion to approve and adopt the Stormwater Utility and establish a Stormwater Enterprise Fund, OR
  - Adopted ordinance that shows creation of Utility and Enterprise Fund by adoption of the ordinance
  - State when Stormwater Utility and Stormwater Enterprise Fund began operation and when first fees were collected
  - Link to rate and fees on applicant's website or include officially published rates and fees supporting documents
  - See guidance

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### *2.E Stormwater Utility & Stormwater Enterprise Fund (5 points)*

- Applicant provides a resolution to develop a Stormwater Utility & Stormwater Enterprise Fund
- Narrative must include
  - Submit an executed copy of the "Resolution to Develop and Implement a New Stormwater Utility and Enterprise Fund
  - Statement that resolution must be submitted in addition to the resolution required by all applications.
  - Description of status of development of the stormwater utility with a stormwater enterprise fund.
  - See guidance

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## *LASII Priority Rating System for Planning Grants*

### Priority Rating System

#### Category 3 – Affordability (12 points max)



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### *3.A Population*

Choose one of the subcategories

- 3.A.1 Population < 10,000 people (2 points)
- 3.A.2 Population  $\geq$  10,000 and  $\leq$  20,000 people (1 point)



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### 3.B Local Government Unit Indicators

- Choose one of the subcategories
  - 3.B.1 – 1 of 5 LGU indicators worse than state benchmark (2 points), OR
  - 3.B.2 – 2 of 5 LGU indicators worse than state benchmark (4 points), OR
  - 3.B.3 – 3 of 5 LGU indicators worse than state benchmark (6 points), OR
  - 3.B.4 – 4 of 5 LGU indicators worse than state benchmark (8 points), OR
  - 3.B.5 – 5 of 5 LGU indicators worse than state benchmark (10 points), OR
  - 3.B.6 – Project benefits disadvantaged area (next slide)
- LGU Indicators are
  - Property Valuation per Capita is less than \$133,264
  - Percent Population Change is less than 3.1%
  - Poverty Rate is greater than 13.7%
  - Median Household Income is less than \$60,516
  - Unemployment rate is greater than 4.9%



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### 3.B.6 Disadvantaged Areas (8 points)

- Study benefits disadvantaged areas (only available to applicants with 3 or less LGU indicators)
- Portion of City or County identified by Community Mapping System, Justice 40 Initiative map, or by narrative (see Guidance for details)
- **MUST** describe stormwater quality and/or quantity issue occurring within disadvantaged area
- Disadvantaged area based on
  - Median Household income
  - Poverty rates
  - Property Valuation per capita
  - Unemployment rate for targeted areas (see guidance)

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### 3.B.6 Disadvantaged Areas (8 points)

- Narrative

- Map showing study area is disadvantaged area and location of proposed project
- Description of disadvantage factors that qualify the area as disadvantaged
- MUST describe stormwater quality and/or quantity issue occurring within disadvantaged area
- MUST describe how the proposed study will directly improve the water quality issue or reduce the severity/frequency of flooding
- Separate narratives must be provided for stormwater quality and stormwater quantity issues
- See guidance



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### Pop Quiz: LASII PRSs – Question #1

- If I have no LGU indicators, I'm not eligible for LASII funding
- True
- False



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### *Pop Quiz: LASII PRSs – Question #2*

- For LASII study grants, what must be in the narrative?
  - A. Top 3 challenges in the next 5 years
  - B. Top 5 challenges in the next 5 years
  - C. Description of the proposed study
  - D. A and C
  - E. B and C



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### *Pop Quiz: LASII PRSs – Question #3*

- Both LGU indicator points and benefit disadvantaged areas points can be awarded.
  - True
  - False



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*Discussion Time*



**What questions do you have?**



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*CDBG-I Programmatic Specifics*



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## CDBG-I: Allocation and Maximum Grant Amount



- Approximately \$18 million
- Maximum grant amount is \$3 million over three years
  - Three years begin at time of SWIA award date
- No more than three open grants within three years



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## CDBG-I Program

Program is to help a non-entitlement municipality or county to create healthy living environments through financing public water and sewer infrastructure; and mitigate public and environmental health problems in areas where the percentage of low-to-moderate (LMI) income persons is at least 51% LMI.

Thus, each project must meet the national objective of benefiting low-to-moderate income persons (at least 51%) to be eligible for funding.



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## *CDBG-I: Applicants Eligible to Apply*

All municipalities and counties are eligible to receive State CDBG funds except for entitlement communities and entitlement counties.

- Entitlement communities receive funds directly from HUD.
  - North Carolina's 24 entitlement municipalities are: Asheville, Burlington, Cary, Chapel Hill, Charlotte, Concord, Durham, Fayetteville, Gastonia, Goldsboro, Greensboro, Greenville, Hickory, High Point, Jacksonville, Kannapolis, Lenoir, Morganton, New Bern, Raleigh, Rocky Mount, Salisbury, Wilmington, and Winston-Salem.
- Entitlement counties receive funds directly from HUD.
  - In North Carolina, all counties are eligible to receive State CDBG funds except Mecklenburg County, Wake County, Union, and Cumberland County, which have been designated by HUD as urban entitlement counties. As entitlement counties, neither the counties nor their municipalities are eligible for Small Cities funding, except for the towns of Holly Springs and Linden.



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## *CDBG-I: Applicants Eligible to Apply*

- Single purpose units of governments (e.g., water/sewer authorities) must work with local governments on projects and are considered subrecipients.
- If a local government is served by a single purpose unit of government, they may apply for a grant to replace, repair, or up-date or extend infrastructure owned by the single purpose unit of government.
- **All proposed projects must show they benefit at least 51% low-to-moderate income (LMI) persons and/or households.**



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## CDBG-I: Project Area

- Once the project is defined, you must define the project area
  - Project must serve the entire project area.
- The project area must first be established before LMI is determined.
  - LMI % in application must represent the project area accurately.
  - **If a project has multiple project areas, each project area must contain a population that is at least 51% low-to-moderate income to be eligible for CDBG funds.**
- Must have a project area map, with details:
  - Must have boundaries, what streets are served, or what houses are served.
  - Use streets, creeks, hills, municipal boundaries, etc. to describe the area the project is located in.
- Your maps must show us clearly where your project is located
- **See Appendix A: Determining the LMI Percentage of the Project Area**



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## CDBG-I: LMI Eligibility

There are two ways to determine your LMI percentage for your project area:

- Census Data (area wide)
  - Must use most recent LMI summary data from HUD
- Income Surveys
  - 4 survey methods are allowed: door-door, mail, online, telephone
  - Surveys for valid for 18 months prior application deadline
  - **Must use the most recent HUD Income Limits only or 2022 if done within last 18 months**
  - Templates on Division website under Application Resources
- The LMI percentage is not the same as disadvantage community definition.
- **See Appendix A: Determining the LMI Percentage of the Project Area**



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## *CDBG-I: Census Data and Conducting Surveys*

- Each project purpose identifies how LMI eligibility is determined
  - Area-wide (Census data) used only for water/sewer plant work, major outfalls, major water mains, major pump stations
- Count people for general water and sewer projects such as line rehab, plant upgrades, etc.
- Count households when doing direct home connections (private laterals) to water and or sewer service. (Income verification is valid for 12 months)
- Calculate the LMI percentage of the project area, using the number of people served. The LMI % must be at least 51%
- DO NOT round calculations, must include last two decimal points (i.e., 76.26%, not 76.3%)



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## *CDBG-I: Using Census Tract or Block Data*

- If you use census tract or census block data, the **project must serve the entire tract or block**
- **To find block group data, go to:**  
<https://www.hudexchange.info/manage-a-program/acs-low-mod-summary-data-local-government/>
  - Use Map Application to visually see groups and tracts
- It is better to survey – most water and sewer systems are not designed to serve a census tract or block



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## *CDBG-I: LMI Documentation*

- Application submission (electronic and hardcopy) must include:
  - **Income survey methodology and Map of Project Area**
  - If using areawide HUD census data, provide a copy of what you used
- If using income surveys:
  - Copies of income surveys are needed for:
    - Completed, signed, dated
    - No Responses marked as such
    - Vacant marked as such
  - Summarize the results of your surveys in a Tabulation Summary spreadsheet
    - Do not make this hard to read



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## *CDBG-I: Common Errors: Income Surveys*

- Common Errors with Income Surveys
  - Door-to-door surveys were not signed by both parties
  - Data on tabulation summary sheet does not match surveys
  - Household size and income limits do not match
  - Corrections made on survey are not initialed or dated
  - Wrong average household size to calculate no responses was used
  - LMI map does not convey all homes surveyed or more than what was surveyed
  - LMI methodology is missing



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## *CDBG-I: Additional Advice on Surveying*

- **Engage the community.** Make sure the people in the project area know why they are being asked these questions.
- Assure the interviewees of the **confidentiality** of their answers.
- Use our Spanish language survey or translate survey into another language, if necessary, based on the demographics of the project area
- Utilize community leaders to do the surveys
  - Mayors, managers, clergy, town councilmen – people that the community recognizes and trusts.



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## *CDBG-I: Project Types Limitations*

- Residential areas only. Cannot fund infrastructure in business districts or linked economic development
- Can fund projects in the floodplain and only certain ones in the floodway (per HUD Notice CPD-17-013).
  - "the construction, installation, or repair of linear infrastructure located entirely below ground level or entirely above base flood elevation may comply with Part 55..."
  - No new construction, manhole repair/replacement or ground disturbance within the floodway.
  - Will allow CIPP, if completely underground and access is done outside floodway.
  - Flood maps with project area and proposed project is required.



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## *CDBG-I: Project Types, continued*

- Can fund private laterals for water and sewer service to connection low-mod-income homes
  - Additional documentation is required to ensure direct benefit



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## *CDBG-I: Project Description, continued*

- Project description must be specific for all major components of water or sewer lines and where this work will occur:
  - Example:
    - The proposed project will replace approx. 3000 LF of 6 and 8" gravity sewer, 42 manholes, and 110 existing service laterals in the public ROW of Smith Street and Sundown Street;
  - Example:
    - The proposed project will replace 6,500 LF of 6" water lines, 20 fire hydrants, valves, 100 existing service laterals, 100 meters along Brown Avenue, Smith Street, and Maple Drive.
  - Incidentals, such as backfill, rock, asphalt patching, etc., to the main construction components do not need to be spelled out in the project description, just the budget.



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## *CDBG-I: Project Description, continued*

- If proposed work will occur on a street or within a right-of-way, the street name must be listed and include identifiable landmarks, such as from intersection of x and z to intersection to x and y.
- If proposed work will occur “off-road”, or outside of the right-of-way, a clear narrative description of this work location is needed.
  - For instance, give a reference point where proposed work leaves the public ROW, a general direction, and a reference point where it goes back to a ROW. (e.g., “... improvements down Alpha St from intersection of Bravo and Alpha to intersection of Charlie and Alpha, then leaving Alpha ROW in a southeasterly direction in a recorded easement to the ROW of Delta Street, then continuing in the Delta ROW to...”).
- NCDOT Right-of-Way
  - Be mindful of working or proposing work
    - Restoration costs imposed could be over \$400k, close to \$800k



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## *CDBG-I: Buy America, Build America (BABA)*

- Enacted in the Infrastructure Investment and Jobs Act.
- Applies to all expenditures by a federal agency (HUD) to a non-federal entity (State of North Carolina) for an infrastructure project, including construction, alteration, maintenance, or repair.
- All CDBG-I projects fall under compliance with BABA since CDBG is a federal grant that will fund utilities, water systems (drinking water and wastewater).



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## *CDBG-I: Buy America, Build America (BABA)*

- **Proposed HUD BABA rollout is a phased implementation. For this round of applications, Iron and Steel requirements will apply to projects awarded with FY2023 CDBG-I funds.**
- Going forward, Specifically Listed Construction Materials requirements will be added to FY2024 CDBG-I funds, and All Other Construction Materials and Manufactured Products requirements will be added to FY2025 CDBG-I funds.
- BABA requirements flow with CDBG-I funding down to local governments (grant recipients) and contractors.



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## *CDBG-I: Buy America, Build America (BABA)*

HUD Construction Materials Groups:

- Iron and Steel – include materials that are primarily composed of iron or steel.
- Specifically Listed Construction Materials include metals other than iron and steel (non-ferrous metals), plastic and polymer-based PCV pipe and tube (e.g., PVC pipe), lumber, and composite building materials. Does not include cement and aggregates (stone, sand, gravel).
- All Other Construction Materials include glass, drywall, and other construction materials.
- Manufactured Products. A definition is forthcoming pending a proposed Office of Management and Budget (OMB) rulemaking.



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## *CDBG-I: Multiple Applications*

- Local governments can submit multiple applications for different projects; however:
  - Each application is reviewed and scored separately.
  - If one application scores within funding range and the other does not; the local government cannot request switching it with the lower scoring application.
  - If more than one application scores within the funding range, the highest scoring application will be recommended for funding.



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## *CDBG-I Federal Compliance Documents – Required or Application is Incomplete*

- All CDBG-I applications require new federal compliance documents.
  - Citizen Participation Requirement - Public Hearing
    - Held within same calendar year of application
    - Encourage posting notice in project area
    - **Certified public hearing minutes required**
    - See *Appendix B: Public Hearing & PRS & Guidance*
  - Compliance Statements and Certifications
    - There are 5 to fill out, sign and date in same calendar year as application
  - HUD Required Forms (3 different ones)
    - Some forms need multiple for each activity
    - See *Appendix C: HUD Forms and Instructions*



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## *CDBG-I Federal Compliance Documents – Required, continued*

- Sam.gov
  - Local governments must have active registration with federal government and provide proof
- Applicant's Capacity Letter
  - **Applicant letterhead – see PRS & Guidance**
- Applicant's Audit (must be current with audits)
  - Documentation of latest audit was submitted
- Floodplain / Floodway Map
  - With project area and project description (where work will occur) overlaid



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## *CDBG-I: Common Errors: Federal Comp. Docs*

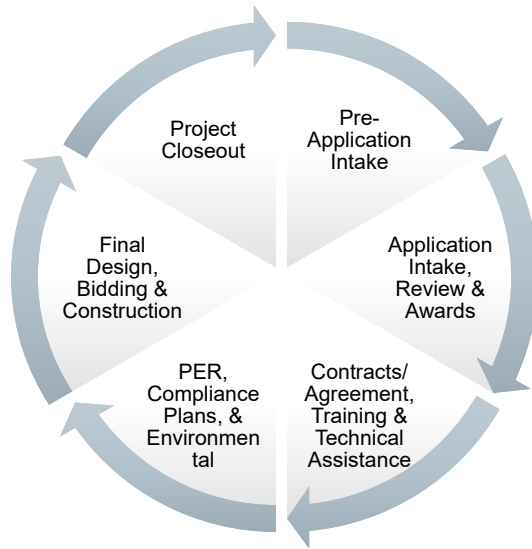
- Commons Errors on Federal Compliance Documents
  - Public hearing notice was not published (non-legal section) within the publishing window.
    - At least 10 days before, not including the public hearing date, but no more than 25 days before hearing
  - ~~Public hearing minutes must be adopted not certified~~
  - Forms not filled out correctly, and/or signed and dated
  - Project descriptions and project area do not match
  - Old forms are resubmitted instead of new ones
  - Missing documents



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## CDBG-I Funding Cycle & Expectations



- Grantees have 3.5 years to complete their project once grant agreement is executed
- Mandatory Start-Up Meeting with Project Team
- Two mandatory training workshops



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## CDBG-I Program Requirements

- Comprehensive community development is accomplished by compliance with Federal and certain State statutes and regulations.
- Awarded applicants must adhere to multiple compliance areas:
  - BABA – Buy America, Build America (NEW)
  - Environmental Review
  - Non-Discrimination Equal Access
    - Title VI of Civil Rights Act of 1964, as amendment, Fair Housing, Equal Opportunity, Limited English Proficiency, Excessive Force, Section 504 of the Rehabilitation Act of 1973, ADA,
  - Financial Management



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## *CDBG-I Program Requirements, continued*

- Awarded applicants must adhere to multiple compliance areas:
  - Acquisition, Demolition, Rehabilitation Uniform Relocation Act
  - Citizen Participation
  - Section 3 of Housing and Urban Development Act of 1968 (Local Economic Benefit)
  - Minority / Women Business Enterprises (M/WBE)
  - Historically Underutilized Businesses (HUB)
  - Labor Standards – Davis Bacon and Related Acts
  - Performance Measurements, Reporting and Recordkeeping



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## *CDBG-I: Application Preparation Expenses*

- Awarded applicants may be awarded their application preparation expenses to a reasonable amount
  - Only if the grant writer was procured according to the Federal procurement procedures for professional services (*see Program Procurement Policy on Website*)
- Awarded applicant may receive:
  - Up to \$3,000 for grant application preparation expenses if they use census data to determine LMI
  - Up to \$5,000 for grant application preparation expenses if they conduct an income survey to determine LMI
- Must be part of the application budget



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## *CDBG-I: Application Submission - Hardcopy*

- In addition to electric submission:
  - Program that must have a hardcopy, with original signatures, of the application
    - Three-ring binder
- Due by Application deadline in Raleigh office
- See PRS & Guidance for FedEx and UPS address



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## *Discussion Time*



What questions do you have?



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## *Viability Utilities Program (VUP)*



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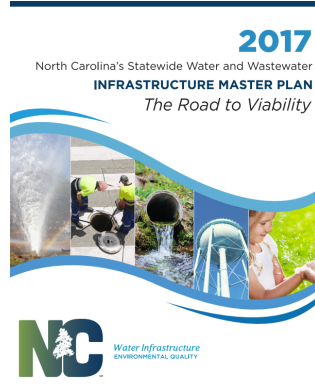
221

### *Master Plan – Definition of Viability*

#### 2017 State Water Infrastructure Authority Master Plan

A viable system is one that functions as a long-term, self-sufficient business enterprise, establishes organizational excellence, and provides appropriate levels of infrastructure maintenance, operation, and reinvestment that allow the utility to provide reliable water services now and in the future.

<https://www.deq.nc.gov/about/divisions/water-infrastructure/viable-utilities>



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## *Viability Utility Program (VUP)*

Signed into law on July 1, 2020 (Reform of Water and Wastewater Public Enterprises, S.L. 2020-79)

- Updates to G.S. 159G “Water Infrastructure”
- \$15M per Distressed system, \$30M for merger

Foster the viability of water and wastewater operations across the state by:

- Identifying and designating distressed local government units (LGUs)
- Providing a process to develop viable water/sewer utilities.
- Coordinating approval by both SWIA and Local Government Commission (LGC)

Created Viability Utility Reserve (VUR)

- Initial funding of \$9 million non-recurring.
- Fall 2023 funding amount TBD by state budget



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## *“Distressed Unit” Statutory Definition*

“Distressed unit. – A public water system or wastewater system operated by a local government unit exhibiting signs of failure to identify or address those financial or operating needs necessary to enable that system to become or to remain a local government unit generating sufficient revenues to adequately fund management and operations, personnel, appropriate levels of maintenance, and reinvestment that facilitate the provision of reliable water or wastewater services.”

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## *Viabale Utility Program (VUP) Objectives*

**Assist Distressed utilities**

- Establish clear expectation to meet statutory requirements
- Support utility condition assessment and capital improvement planning
- Encourage local leaders to be engaged, committed, and accountable for utility management
- Assist in developing short-term and long-term plans for viability

**Support efforts and projects to improve viability**

- Coordinate with other funding programs to develop partnerships and share prioritization
- Coordinate and strengthen relationship with other resource agencies
- Develop a program that supports all utilities



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## *VUP – LGU Assessment Process*

**Third assessment**

- Currently 131 distressed LGUs, out of 500+
- Potentially 16 newly Distressed per 2023 Assessment

**Schedule**

- Designation by SWIA in July, LGC in August
- Notification letters in mid-August

**Assessment notes**

- No changes currently proposed but will review before 2024 assessment
- Regular meetings with SWIA's Viable Utility Committee and Local Government Commission (LGC)
- Cleaned up list of master units with Dept. of State Treasury staff
  - Water authorities, districts, inactive systems

<p><u>Winter</u></p> <ul style="list-style-type: none"> <li>- Clean up list of LGUs</li> <li>- Set up data processing worksheets</li> <li>- Begin data collection/analysis</li> </ul>	<p><u>Spring</u></p> <ul style="list-style-type: none"> <li>- Receive/process financial data</li> <li>- Complete analyses</li> <li>- QA/QC data and calculations</li> <li>- Notify LGUs of assessment</li> </ul>	<p><u>Summer</u></p> <ul style="list-style-type: none"> <li>- Receive/track LGU responses</li> <li>- Prepare and present recommendations</li> <li>- SWIA/LGC approval</li> <li>- Update list</li> </ul>
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## VUP – LGU Assessment Criteria

#	Criterion	Type	Points/Weight	Source Data
1	Service Population	Statutory	1	Varied
2	Transfers Out	Statutory	1	Calculated from LGC data
3	Transfers In	Statutory	1	Calculated from LGC data
4	Debt Service Coverage Ratio (DSCR)	Statutory	1	Calculated from LGC data
5	DW Compliance	Infrastructure/Organizational	1	NC DEQ-DWR
6	WW / CS Compliance	Infrastructure/Organizational	1	NC DEQ-DWR
7	Flow Moratorium	Infrastructure/Organizational	4	NC DEQ-DWR
8	Revenue Outlook	Infrastructure/Organizational	4	EFC rates; source of population varies
9	Affordability	Infrastructure/Organizational	1	Developed by DWI/SWIA
10	Rates	Infrastructure/Organizational	1	EFC
11	DW Pop / Mile	Infrastructure/Organizational	1	LWSP (see above for population)
12	Sewer Pop / Mile	Infrastructure/Organizational	1	NC DEQ-DWR
13	UAL Control Issues - W/S only	Infrastructure/Organizational	3	NC DEQ-DWR

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## VUP – LGU Assessment Criteria (cont'd)

#	Criterion	Type	Points/Weight	Source Data
14	UAL Missing Audit	Financial	3	LGC
15	Surplus (deficit) w/ Debt	Financial	2	Calculated from LGC data
16	No Debt DSCR Test	Financial	1	Calculated from LGC data
17	% Depreciated	Financial	1	Calculated from LGC data
18	Operating Margin	Financial	1	Calculated from LGC data
19	Quick Ratio	Financial	1	Calculated from LGC data
20	Receivables Ratio	Financial	1	Calculated from LGC data



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## VUP – Distressed Designation

Distressed criteria were created to help identify LGUs most likely in need of assistance for maintaining utility viability.

### Approved criteria:

- D1. LGC has formally taken financial control of LGU.
- D2. No annual audit submitted in the past 2 years.
- D3. Total Assessment Criteria score (20 separate parameters with values ranging from 1-4).
  - 9 for LGUs with both drinking water & wastewater systems
  - 8 for LGUs with only one drinking water or wastewater system
- D4. Other information has become available.



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## Distressed LGU – Statutory Requirements

Statutory Requirement	Potential Funding Mechanisms
Conduct an <b>asset assessment</b> and <b>rate study</b>	Asset Inventory and Assessment ( <b>AIA</b> ) grant
Participate in a <b>training and education program</b> for governing board, utility managers, finance directors, and staff	Automatic <b>training grants</b> to distressed units (training coordinated/offered by DWI, DST, and partners)
Develop an <b>action plan</b> , considering:  A <b>short-term</b> and a <b>long-term action plan</b> for infrastructure repair, maintenance, and management	Merger and Regionalization Feasibility ( <b>MRF</b> ) grant  Short-term plan (10 years) comes from Capital Improvement Plan (CIP) developed under <b>AIA</b>  Long-term plan comes from alternatives analyses developed under <b>AIA</b> , <b>MRF</b> , and/or Master Plan
<b>Continuing education</b> (for governing boards, finance officers, and operations staff)	Plan for continuing education comes from the <b>short-term action plan</b>  Automatic <b>training grants</b> support program implementation  Need to budget in <b>utility enterprise fund</b>
<b>Long-term financial management</b> to ensure sufficient revenue for O&M, personnel, maintenance, and reinvestment	Generated from <b>AIA/Rate Study</b> , <b>MRF</b> , and/or Master Plan  Management implementation may come from <b>Construction Grants</b> initially and <b>utility revenues</b> moving forward

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## *VUP – Funding Opportunities*

### Asset Inventory and Assessment Grant (AIA) & Rate Study

- Required for all Distressed LGUs
- May include rate study
- Goal: Asset Management Plan and Capital Improvement Plan

### Merger/Regionalization Feasibility Study (MRF)

- Required for some Distressed LGUs
- Goal: Investigate partnerships for viability

### Emergency Operating Grants (EOG)

- D1 LGUs only

### Construction Project Grants



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## *Other Statutory Requirements – STAP/LTAP/LTFP*

NCGS 159G-45(b)(3) – Develop an Action Plan, considering

Short-term (STAP) and Long-term (LTAP) plan for infrastructure repair, maintenance, and management

Continuing education of governing board and staff

Long-term financial management (LTFP) plan to ensure sufficient revenue to adequately fund:

- Management and operations
- Personnel
- Appropriate levels of maintenance
- Reinvestment to provide reliable services

Other matters identified by SWIA and LGC

DWI Guidance available end of 2023



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## VUP – Priority Rating System for AIA and MRF

Project Prioritization based on:

1. Designation criterion
  - D1 = Unit under control of LGC = Highest Priority
  - D2-D4 = Other designated units (typically based on assessment score)
2. Assessment score
  - >13 = Highest Priority
  - 11-12
  - 8-10
  - If funding is limited and not all LGUs in the subgroup can be funded, priority further prioritized:
    - Revenue Outlook: 15 points
    - Moratorium: 15 points
    - Service Population <1,000: 10 points
    - Ability to address multiple distressed units: 5 points



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## VUP – AIA/MRF Project Timeline

1. SWIA approves funding = DWI issues Letter of Intent to Fund (LOIF)
2. Recipient submits Preliminary Scope
  - Scope must be consistent with the costs, challenges, and benefits presented in the application
3. Scope Approved by DWI = Funding Offer
  - First payment items
  - Must complete project within 2 years of Offer date
  - During the project, DWI requires regular project updates, and draft and final deliverable/report
4. Deliverable Approved = Final Payment




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## VUP – Construction Project Timeline

Follows the same schedule/timeline as other DWI construction projects:

1. SWIA approves funding = DWI issues Letter of Intent to Fund (LOIF)
2. **Engineering Report submittal/approval**
  - For distressed LGUs, there are now additional requirements for the ER submittal related to viability.
  - Be sure to include these responses for review in the first submittal!
3. Plans and Specifications submittal/approval
4. Project under Construction
5. Project Closeout

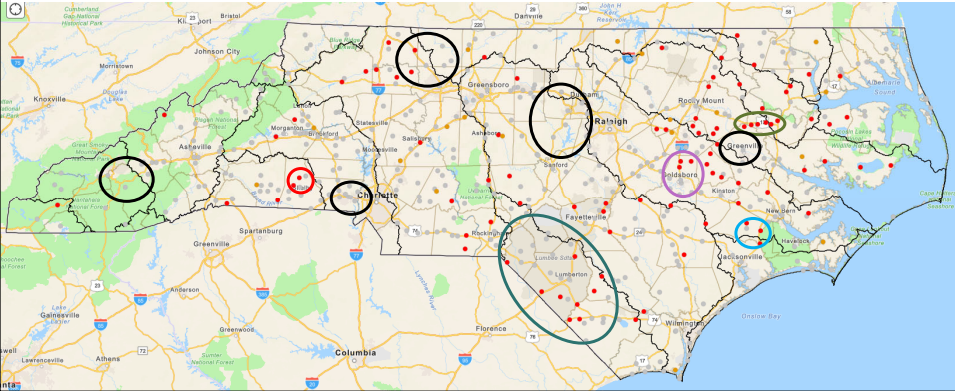


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## DWI/VUP – Existing and Emerging Partnerships

<ul style="list-style-type: none"> <li>• Martin County (MCRWASA)</li> <li>• Wayne County (Goldsboro)</li> <li>• Fair Bluff (Lumber River COG)</li> <li>• <b>Cleveland County (CCW)</b></li> <li>• Others potential partnerships emerging (Jones County)</li> </ul>	<ul style="list-style-type: none"> <li>• Bethel/Greenville Utility Commission</li> <li>• Pilot Mountain/Mount Airy</li> <li>• Tuckaseegee WSA</li> <li>• Gastonia/TRU/McAdenville</li> <li>• Western Intake Partnership (Chatham, Durham, Orange)</li> </ul>
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## *VUP – Additional Initiatives*

### Closing America's Wastewater Access Gap Community Initiative

- EPA and USDA-RD

### Hometown Strong

- Governor's Office

### Highly Treated Wastewater Pilot

- UNC Collaboratory, UNC-EFC, and others

### Voluntary energy optimization training and support

- State Energy Office

### Voluntary mentorship program

- NC OneWater's Utility Management Commission

### Continued collaboration with RAPWU



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## *VUP – Technical Support and Assistance*

### Resource Agency Partners for Water and Wastewater Utilities (RAPWU)

- Have well-established relationships with LGUs
- Provide technical and managerial expertise to LGUs
- Are often seen as neutral arbiters for partnerships (e.g., COGs)
- Share information and collaborate on many VUP elements



NORTH CAROLINA  
DEPARTMENT OF STATE TREASURER



SERCAP, Inc.  
Sustainable Economic Rural Community Assistance Project, Inc.



SCHOOL OF GOVERNMENT  
Environmental Finance Center



United States Department of Agriculture  
Rural Development

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*Discussion Time*



**What questions do you have?**



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*Asset Inventory &  
Assessment Grants  
(AIA)*



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## Asset Inventory and Assessment Grants (AIA)

### NCGS 159G-33 & 34

To inventory existing water and/or sewer system and document the condition of inventoried infrastructure

\$150,000 per DW and WW system every 3 years

Limited to systems of 10,000 residential accounts or less

#### Eligible activities can include:

- Identifying and GIS-locating system components
- Performing a risk analysis to determine critical components
- Determining the condition of critical components
- Establishing capital and O&M costs
- Creating a prioritized list of projects
- Preparing a realistic Capital Improvement Plan (CIP)
- Conducting a rate study

Public and private, not-for-profit systems are eligible as applicants AND partners



<https://www.deq.nc.gov/about/divisions/water-infrastructure/i-need-funding/asset-inventory-and-assessment-grants>

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## AIA – Distressed Systems

AIA and Rate Study required for all Distressed systems

#### **Distressed System** AIA's scope must include:

- Identifying and locating system components
- Performing a risk analysis to determine critical components
- Determining the condition of critical components
- Establishing capital and O&M costs
- Creating a prioritized list of projects
- Preparing a realistic Capital Improvement Plan (CIP)
- *Conducting a rate study*

A new AIA is not required if a *sufficient* AIA has recently been conducted (i.e., within past 5 years)

An AIA Grant may be used to further the results of previous AIA activities



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## AIA – Application Components

- Application forms
- Financial Information Form
- Fund Transfer Certification Form
- Resolution
- Applicable rate sheets
- Narrative question responses
  - Supporting documentation with specific references in narrative



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## AIA – Priority Rating System (PRS)

SRP Asset Inventory and Assessment Grant Priority Rating System		
Line Item #	Category	Points
<b>1.</b>	<b>Project Benefits</b>	<b>0 - 8</b>
1.A	The LGU has been identified as "distressed" by the Authority and Commission per NCGS 159G-45(b).	2
<b>2.</b>	<b>System Management</b>	
2.A	Knowledge base of utility's internal asset management team	0 - 4
2.B	Current and past rate setting practices, CIPs, etc.	0, 1, or 2
2.C	Management of asset inventory data	0 - 4
2.D	Operating Ratio (OR) is greater than or equal to 1.00 based on a current audit, or is less than 1.00 and water/sewer rates are greater than \$107/month	0, 1, or 2
<b>3.</b>	<b>Affordability</b>	
3.A	Current Monthly Utility Rate at 5,000 gallons usage	0, 1, or 2
3.B	Local Government Unit (LGU) Indicators	
3.B.1	3 out of 5 LGU indicators are worse than the state benchmark <b>OR</b>	0
3.B.2	4 out of 5 LGU indicators are worse than the state benchmark <b>OR</b>	1
3.B.3	5 out of 5 LGU indicators are worse than the state benchmark	2
<b>Total Points</b>		<b>24 Max</b>



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## *AIA – PRS Application Narrative*

Eight (8) questions, four (4) calculations

- Respond in same order as the Guidance

### Category 1: Project Benefits

- Challenges, past asset management efforts, distressed status

### Category 2: System Management

- Asset management team, how data will be used, how data will be managed, operating ratio

### Category 3: Affordability

- Water/Sewer rates, LGU Indicators



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## *AIA PRS – Category 1: Project Benefits*

Discuss the top 3 challenges your system faces in the next 5 years and how an AIA will benefit these challenges.

- Challenges must directly relate to benefits of an AIA
- Consider (provide documentation as applicable)
  - Permits, enforcement actions, and required and approved plans

If Distressed, discuss steps already taken/underway to meet statutory requirements of Distressed systems

Discuss past asset management and capital planning efforts and how they were financed

See Scoring Rationales



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## *AIA PRS – Category 2: System Management*

Discuss the internal Asset Management Team, including for each member

- Name
- Position title
- Experience
- Trainings/certifications
- Current and future duties
- Responsibilities on the team

Discuss rate setting practices and whether an adopted CIP is used to inform that process

Discuss how the Team will use and manage the data to address the system challenges

- Consider external/contracted partners (public and/or private)

Calculate and discuss the last 3 years' Operating Ratios

- Consider rate increases and bill collection percentages

See Scoring Rationales



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## *AIA PRS – Category 3: Affordability*

Calculate and discuss the system's water and/or sewer rates per 5,000 gallons

Using DWI's Affordability Calculator, determine the system's number of LGU Indicators that are worse than the state benchmarks

- AIA grant eligibility is not based on the Affordability Calculator but elements of the Affordability Calculator are used for scoring

See Scoring Rationales



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## *AIA – Funded Projects*

### Milestones

1. Letter of Intent to Fund (LOIF)
2. Preliminary Scope and Budget
3. Grant Agreement
4. Reimbursements
5. Deliverables and Closeout

Grant period → 2 years from Offer date

SRP and VUR: Grant Fee (1.5%) for all

SRP: Local Match Requirement (5%-20%) for non-distressed

Up to 10% of funding can be used for software or equipment

GIS layers (when applicable) to define service area boundary including service gaps



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## *Discussion Time*



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*Merger / Regionalization  
Feasibility Study Grants  
(MRF)*



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*Merger/Regionalization Feasibility Study Grants (MRF)*

NCGS 159G-20  
To determine the feasibility of consolidating management or provide regional treatment

\$50,000 per DW and WW system every 3 years

Merger – partial or complete consolidation

- Two or more utilities
- Organizational, Financial, and/or Operational

Regionalization – physical interconnection

- Water supply or wastewater collection
- Regional treatment

Public and private, not-for-profit systems are eligible as applicants AND partners



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## *MRF – Distressed Systems*

**NOT** required for all distressed systems

At least one applicant + one partner

- May include multiple partners

Non-distressed partner may apply on behalf of distressed system(s)

Distressed System MRF scopes must:

- Include at least 3 alternative + No-Action
- Identify new options that were not addressed in a previous study, or build upon and advance past efforts
- Consider reasons for being distressed and how merging/regionalizing will lead to viability
- May include decentralization alternatives

An MRF Grant may be used to further the results of previous MRF activities



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## *MRF – Application Components*

- Application forms
- Financial Information Form
- Fund Transfer Certification Form
- Resolution from Applicant
- Applicable rate sheets
- Narrative question responses
  - Supporting documentation with specific references in narrative
- Letter(s) from potential partner(s)
  - Acknowledge the application and commit to participate
  - Non-binding to act on the study's recommendations



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## MRF – Priority Rating System (PRS)

SRP Merger/Regionalization Feasibility Priority Rating System		
Line Item #	Category	Points
1	Project Benefits	
1.A	Top 3 Challenges and Compliance History	0, 1, 2, or 3
1.B	Past Collaboration and/or Proximity	0, 1, 2, or 3
2	System Management	
2.A	Size and Capabilities	0, 1, or 2
2.B	The LGU has been identified as "distressed" by the Authority and Commission per NCGS 159G-45(b).	3
2.C	Operating Ratio < 1.00	1
3	Affordability	
3.A	Current Monthly Utility Bill for 5,000 gallons usage	0, 2, or 4
3.B	Local Government Unit (LGU) Indicators	
3.B.1	3 out of 5 LGU indicators are worse than the state benchmark <b>OR</b>	0
3.B.2	4 out of 5 LGU indicators are worse than the state benchmark <b>OR</b>	2
3.B.3	5 out of 5 LGU indicators are worse than the state benchmark	4
<b>Total Points</b>		<b>20 Max</b>



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## MRF – PRS Application Narrative

Nine (9) questions and four (4) items/calculations

- Respond in same order as the Guidance

### Category 1: Project Benefits

- Challenges, past studies, compliance history, past collaboration, proximity, and unallocated capacity

### Category 2: System Management

- Organizational size and capabilities, desired level of service, distressed status, and operating ratio

### Category 3: Affordability

- Water/Sewer rates, LGU Indicators



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## *MRF PRS – Category 1: Project Benefits*

Discuss the top 3 challenges your system faces in the next 5 years and how an MRF will benefit these challenges.

- Challenges must directly relate to benefits of an MRF
- Consider (provide documentation as applicable)
  - Technical ability, Organization structure, and Financial health

If Distressed, discuss steps already taken/underway to meet statutory requirements of Distressed systems

Discuss previous MRF or similar studies, proximity to, and past collaboration with partners

Confirm that at least one system has adequate unallocated capacity to expand

See Scoring Rationales



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## *MRF PRS – Category 2: System Management*

Discuss the system size and capabilities, considering

- Number, position descriptions, and actual duties of utility staff
- Consider any contracted operation and management agreements with private and other public entities

Define or start to define the system's desire level of service for its customers

Calculate and discuss the most recent fiscal year's Operating Ratio

- Consider rate increases and bill collection percentages

See Scoring Rationales



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## *MRF PRS – Category 3: Affordability*

Calculate and discuss the system's water and/or sewer rates per 5,000 gallons

Using DWI's Affordability Calculator, determine the system's number of LGU Indicators that are worse than the state benchmarks

- MRF grant eligibility is not based on the Affordability Calculator but elements of the Affordability Calculator are used for scoring

See Scoring Rationales



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## *MRF – Funded Projects*

### Milestones

1. Letter of Intent to Fund (LOIF)
2. Preliminary Scope and Budget
3. Grant Agreement
4. Reimbursements
5. Deliverable and Closeout

Grant period → 2 years from Offer date

SRP and VUR: Grant Fee (1.5%) for all

### Deliverable contents

- Alternatives evaluation
- Analysis of each alternative
- Conclusions



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### *Pop Quiz: AIA & MRF PRSs – Question #1*

- Eligibility for AIA grants is limited to LGUs with a population of
  - A.  $\leq$  1,000 residential connections
  - B.  $\leq$  5,000 residential connections
  - C.  $\leq$  10,000 residential connections
  - D. No limit to residential connections



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### *Pop Quiz: AIA & MRF PRSs – Question #2*

- The AIA and MRF programs require that you submit a scorecard.
  - True
  - False



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### *Pop Quiz: AIA & MRF PRSs – Question #3*

- The grant period for the AIA and MRF program is
  - A. 2 years
  - B. 4 years
  - C. 5 years
  - D. Infinite



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### *Discussion Time*



**What questions do you have?**



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***BIL - Lead Service Lines Replacement Program***



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### *BIL – Lead Service Line Replacement (LSLR)*

- January 2021
  - Lead and Copper Rule Revisions (LCRR)
    - All public water systems must conduct inventories of lead service lines by October 16, 2024
    - This funding program can assist with these inventories
- November 2021 – The Bipartisan Infrastructure Law (BIL) appropriated funds for five fiscal years (FY 2022-26) specifically for the purpose of inventorying and replacing lead service lines
- North Carolina is eligible to receive up to approximately \$87 million/year for the first 2 years
- Years 3 to 5 allotments will be determined by US EPA based on future LSLR needs survey results

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## BIL – LSLR Allotments

### NC's BIL LSLR Allotments

Capitalization Grant Year	North Carolina's Allotment*	49% Principal Forgiveness*
2022	\$87,062,000	\$42,660,380
2023	\$87,290,000	\$42,772,100

\*\*2024-2026 allotments are to be determined by US EPA

Portion of the state's allotment will be used for set-aside activities:

- LSL inventory support and technical assistance
- Program management



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## BIL – LSLR Funding Program

- Eligible funding recipients
  - Local government units
  - non-profit water utilities
  - investor-owned water utilities
- Eligible projects or activities must be
  - lead service line replacement (LSLR) projects or
  - activities directly connected to the identification, planning, design, and replacement of lead service lines
- Regular DWSRF available for projects addressing lead in water mains/distribution systems, and other non-LSLR replacement projects



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## BIL – LSLR Funding Program

Replacement projects must replace the entire lead service line

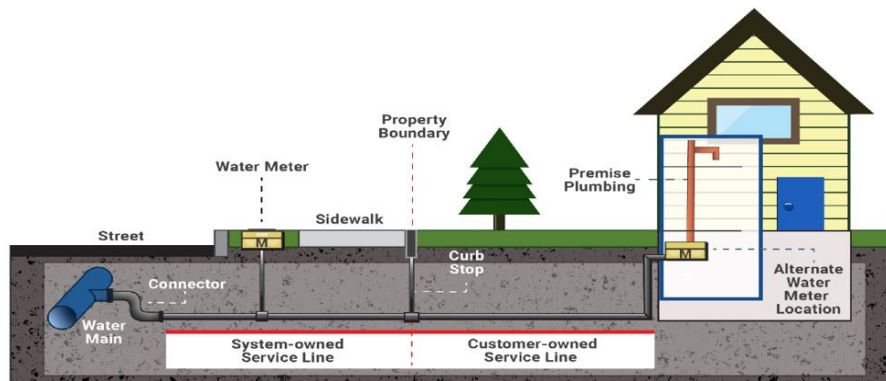
- Service line connects the water main to the building inlet
  - Includes lead connectors (goosenecks, pigtails, etc.).
  - Includes galvanized service lines downstream of a lead service line.
- No need to replace portions previously replaced
- Funds cannot be used for in-house “premise” plumbing



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## BIL – LSLR Private Side Work



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## *BIL – LSLR Private Side Work*

This will be hard!

- You must replace entire lead portions of the service line for any of the work to be eligible for funds
  - Homeowners are not required to replace their lines.
  - You are not required to pay for the private-side portion of the work (but if you don't you can't get money from us for that portion of work)
  - You can not get BIL LSLR funds for replacement work unless you can document that the entire known lead portions have been replaced.
- Flexibility to find solution that work best for your system
  - Utility performs work (in house or contract)
  - Homeowner hires "approved" service provider
    - Utility reimbursement to homeowners
    - Utility direct payment to service provider
    - Utility uses force accounts



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## *BIL – LSLR Loan Terms*

- >50% of funds for projects will be non-repayable loans (principal forgiveness)
- Repayable loan will be at 0% interest rate
- Loan terms cannot exceed expected life of the project.
  - 20-year term loan for replacement projects
  - 5-year term loan for inventory-only projects
- Funds provided after costs have been incurred, not upfront



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## *BIL – LSLR Principal Forgiveness (PF)*

- Portion of the loan that is not repayable
- Determined based on application and at time of award
  - Affordability Criteria – evaluates entire community/utility
    - Considers community size, rates, and economic indicators
    - Eligibility ranges from 0% - 100% (in 25% increments)
  - Disadvantaged Area – evaluates residents benefiting from the project, eligible for 50% PF
- Initial cap of \$500,000 or eligibility percentage of project cost (whichever is lower)
- Caps and percentages can be exceeded if additional PF funds are available in a funding round

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## *BIL – LSLR Conditions*

Drinking Water State Revolving Fund (DWSRF) conditions apply and must be documented

- Davis-Bacon Prevailing Wage Rates
- American Iron and Steel (AIS)
- Build America, Buy America (BABA)



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## *BIL – LSLR Funding Types and Caps per Round*

- Replacing known lead service lines
  - \$5 Million
  - LSL already known to be lead and you are ready to replace them
- Verifying materials and replacing lead service lines
  - \$2 Million, \$1 million of which can be used for inventory
  - Already done inventory and identified lines and areas likely to be lead. Ready to verify materials and replace lines
- Inventory only
  - \$1 Million
  - Identifying areas as known lead, known not lead, or unknown
  - Further investigation and verification on unknown areas



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## *BIL – LSLR Funding Types and Caps*

- 50% of awarded funds each round reserved for inventory projects
  - May use reserve for other project types if there is not sufficient demand.
  - Reserve is currently for 2022 to help meet LCRR inventory deadline
- DWI will reassess reserves and caps for each FY BIL LSLR allotments
- Applicants may apply for multiple project types each round



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## BIL – LSLR Funding Cycle

- September 2023 funding round
  - Only available to systems who submitted a Lead Service Line Solicitation Form prior to July 14th
  - These systems will have an opportunity to update project information prior to August 18
- December 2023 funding round
  - First round open to new applicants.
  - Application due November 1, 2023
  - Awards may be contingent on final award of 2022 BIL DWSRF LSLR funds to NC from EPA
- 2024 funding cycles
  - Any remaining 2022 BIL LSLR funds will be made available
  - If there is sufficient project demand, 2023 BIL DWSRF LSLR funds can be made available (pending Division application and EPA approval of State Grant)

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## BIL LSLR Funding Cycles

Expected Funding Rounds for the 2022 BIL LSLR funds			
Approximate Application Due date	Approximate SWIA Meeting (Award date)	Estimated min 2022 LSLR Funds Available (Includes PF)	Estimated min 2022 Principal Forgiveness Available
August 18, 2023	September 19, 2023	\$22,345,913	\$14,220,127
November 1, 2023	December 12, 2023	\$22,345,913	\$14,220,127
December 2023	February 2024	\$22,345,913	\$14,220,127
March 2024	April 2024	TBD	TBD
<b>Totals</b>		\$67,037,740	\$42,660,380

Initial Funding Round (Sept 2023 awards) limited to systems that provided a LSLR solicitation form.

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## BIL – LSLR Priority rating System (PRS)

Projects will be recommended for funding based on approved priority rating system

- Project purpose
- Is there a Lead Action Level Exceedance?
- Affordability



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## BIL – LSLR Priority rating System (PRS)

### • Project Purpose

Project Purpose Points			
Line Item #	Category 1 – Project Purpose (Points will be awarded for <u>only one</u> Project Purpose)	Claimed Yes/No	Points
1.A	Project eliminates lead service lines (100% of project is to replace known lead service lines)		20
1.B	Project establishes and implements a program to find and replace lead service lines in areas suspect to have lead lines.		15
1.C	Project inventories lead service lines (no replacement as part of project)		10
Maximum points for Category 1 – Project Purpose			20


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*BIL – LSLR Priority rating System (PRS)*

- Project Benefit

Project Benefits Points			
Line Item #	Category 2 – Project Benefits	Claimed Yes/No	Points
2.A	Project addresses/resolves Lead Action Level Exceedance		5
2.B	Project area has documented Lead Action Level Exceedance		2
<b>Maximum points for Category 2 – Project Benefits</b>			<b>5</b>



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*BIL – LSLR Priority rating System (PRS)*

- Affordability (no change from construction)

Affordability Points			
Line Item #	Category 4 – Affordability	Claimed Yes/No	Points
4.A	Residential Connections		
4.A.1	Less than 10,000 residential connections OR		2
4.A.2	Less than 5,000 residential connections OR		4
4.A.3	Less than 1,000 residential connections		8
4.B	Current Monthly Combined Utility Rates at 5,000 Usage		
4.B.1	Greater than \$79 OR		4
4.B.2	Greater than \$90 OR		6
4.B.3	Greater than \$107 OR		8
4.B.4	Greater than \$129		10
4.C	Local Government Unit (LGU) Indicators		
4.C.1	3 out of 5 LGU indicators worse than state benchmark OR		3
4.C.2	4 out of 5 LGU indicators worse than state benchmark OR		5
4.C.3	5 out of 5 LGU indicators worse than state benchmark		7
4.C.4	Project benefits disadvantaged areas		5
<b>Maximum points for Category 4 – Affordability</b>			<b>25</b>

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## BIL – Lead Service Line Replacement Project Solicitation Form

**North Carolina Department of Environmental Quality**  
**Division of Water Infrastructure**  
**Lead Service Line Replacement (LSLR) Project**  
**Application Form**  
(Last updated: July 2023)

**1. General Information**

Applicant Name: \_\_\_\_\_ County: \_\_\_\_\_ Unique Entity Identifier (UEI): \_\_\_\_\_  
 Project Name: \_\_\_\_\_ Federal Tax ID #: \_\_\_\_\_ PWSID: \_\_\_\_\_

Applicant Type:

<input type="checkbox"/> Municipality	<input type="checkbox"/> Metropolitan Water Sewerage District	Funding Amount Requested: _____
<input type="checkbox"/> County	<input type="checkbox"/> Non-Profit Water Corporation	
<input type="checkbox"/> Water and Sewer District	<input type="checkbox"/> Investor-Owned Drinking Water Corporation	Total Project Cost: _____
<input type="checkbox"/> Water and Sewer Authority	<input type="checkbox"/> Other (Specify: _____)	
<input type="checkbox"/> Sanitary District		

Project Type (please submit multiple forms if funding is needed for multiple project types)

Funding for Lead Service Line and Lead Connectors (LSL):

- Replacing already-known LSLs. Limit of \$5 million per funding round.
- Finding and replacing LSLs. Limit of \$2 million per funding round with \$1 million limit on inventory.
- Inventory LSLs only (no replacement). Limit of \$3 million per funding round.

Acceptance of Funding Offer:

I will only accept a funding offer if a minimum of \$\_\_\_\_\_ is offered as principal forgiveness. I will accept the rest as loan. I understand that I will not be offered any funding if the minimum requested principal forgiveness amount cannot be offered. Enter 0 if you are willing to accept a loan offer with no principal forgiveness. Please read the Instructions for more details.

**2. Water System Parameters**

Residential Water Connections: \_\_\_\_\_

Non-Residential Water Connections: \_\_\_\_\_

Monthly Water Bill for 5,000 gallons: \_\_\_\_\_ Monthly Sewer Bill for 5,000 gallons: \_\_\_\_\_

Available on Division’s “Application Forms and Additional Resources” webpage

<https://deq.nc.gov/about/divisions/water-infrastructure/i-need-funding/application-forms-and-additional-resources>

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## Pop Quiz: LSLR Program – Question #1

- If I’m replacing lead service lines, I have to go all the way to the house.
- True
- False



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### *Pop Quiz: LSLR Program – Question #2*

- How what percentage of funds awarded each round will be for lead service line inventories?
- A. 25%
- B. 50%
- C. 75%
- D. 100%



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### *Pop Quiz: SLSR Program – Question #3*

- I use the same application for the LSLR program that I use for other programs.
- True
- False



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*When (and how) do I get the money?*



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## Construction Project Funding Schedule

### 24 Month Schedule

Application	0																			
ER Prep	1	2	3	4																
ER Review					5	6	7	8	9											
Design										10	11	12	13	14	15					
Plan Review															16	17	18	19		
Bid																				
ATA																				
Contract																				

Disbursement for documented expenditures after signing construction contract



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## *Construction Project Schedule*

- GS 159G-41
  - 2 years to get under construction contract from LOIF
  - 1 year to get under contract after award (signing offer agreement) - typically, after ER approval
- Engineering Report Approval ~9 Months from LOIF
  - Alternatives Analysis
  - Environmental Review (if required), more time for FONSI
- Offer and Acceptance
  - Board approved agreement and Resolution
- Plans and Specifications Approval ~19 Months from LOIF
- Project Bid
- **Construction/Contract Start  $\leq$  24 Months from LOIF**

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## *When do I get my money?*

- Loan Recipients – after ER Approval
  - LGC approval of all debt
    - Loan approval after Bids in hand!
  - Get annual financial audits in order
- DWI Fees – NCGS 159G-24
  - 2% of the loan (includes principal forgiveness)
  - 1.5% of the grant
  - Due after award and prior to first payment
- Disbursement of funds – NCGS 159G-42
  - Disburse based on the progress of the project
  - Recipient must document expenditures
  - Funds for approved costs only



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## *When do I start getting my money?*

### First payment checklist (key items)

- Funding Offer Accepted (signed by DWI and recipient)
- Resolution (Signed by governing Board)
- Notice to Proceed (construction projects only)
- Sales Tax Form
- DWI's Authority to Award (construction only)
- Executed and Approved Contracts
- Wage Rate Cert. (for construction projects > \$10M)



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## *When do I get the rest of my money?*

### Last payment checklist (key items – construction)

- Closeout Checklist (signed by recipient)
- Owner's Certification of Completion
- Engineer's Certification
- DWI's Final Change Order Eligibility Determination
- DWI's Final Inspection Report



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## *State Revolving Fund (SRF) Conditions*

- SRF
  - Offer and Acceptance Package
    - Conditions and Assurances
  - David-Bacon Wage Rates
  - American Iron and Steel
  - Build America, Buy America (not AIS!)
  
- Read your offer and acceptance letter



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## *State Revolving Fund (SRF)*

- Build America, Buy America Act
  - Applies to SRF and BIL funds awarded to States after May 2022.
    - All iron and steel are produced in the United States.
    - All manufactured products are produced in the United States.
    - All construction materials are manufactured in the United States.
  
  - EPA website: [Build America, Buy America \(BABA\) | US EPA](#)

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## BABA

### • Approved Waivers

#### • EPA De Minimis General Applicability Waiver

- Waive requirements for products that cumulatively comprise no more than five percent of the total project cost.
- This waiver is not additive with the existing American Iron and Steel national de minimis waiver.
- The EPA will review this waiver every five years

#### • EPA Small Project General Applicability Waiver

- Waiver for small projects, where assistance agreements or subawards under assistance agreements are less than \$250,000
- The EPA will review this waiver every five years



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## BABA

### • Approved Waivers

#### • Adjustment Period Waiver, 2021 for SRF Projects that have Initiated Design Planning

- This one is complicated
- Waive BABA requirements on projects that initiated project design planning prior to May 14, 2022
- Does not waive AIS requirements
- May not cover re-design



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## Fall 2023 Funds Available

Application Type	Approximate Amount Available			
Community Development Block Grant - Infrastructure	CDBG-I Grant: \$18M			
Drinking Water Projects	DWSRF Loan: \$80M (\$16M PF)	BIL DW EC: \$20M (\$10M for studies) (100% PF)	State Reserve Grant: \$10M*	Viable Utility Reserve \$0*
Wastewater Projects	CWSRF Loan: \$100M (\$10.5M PF)	BIL WW EC: \$ 5.3M (100% PF)		
Merger Regionalization Feasibility Grants	ARPA SRP Study Grants \$1.5M			
Asset Inventory & Assessment Grants				
Stormwater Construction/Planning	LASSI: \$0*			
<b>Total:</b>	<b>\$235M (\$56M Grant or PF)</b>			

\* TBD based on final FY 2023 NC State Budget



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## Discussion Time



What questions do you have?



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*Thank you!*

**See our website for contact information.**  
**<https://www.deq.nc.gov/water-infrastructure-contacts>**



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